

West Dunbartonshire Council

The Audit of Best Value and Community Planning

Prepared for the Accounts Commission

February 2007



Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Executive and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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Commission findings

Introduction

1. The Controller of Audit made a report on the audit of Best Value and Community Planning in West Dunbartonshire on 3 October 2006. The report was made to the Accounts Commission for Scotland under s.102 (1) (c) of the Local Government (Scotland) Act 1973.
2. On 11 October 2006 the Accounts Commission considered the report together with letters from the chief executive of the council dated 6 and 11 October and a letter from Councillor Craig McLaughlin dated 10 October. In the light of all the circumstances of the case and representations received the Commission decided to hold a hearing.

Hearing

3. The hearing was held on 29 and 30 November in Clydebank. We heard evidence from:
 - Audit Scotland
 - The council leader, the chief executive and the former chief executive
 - Councillor Craig McLaughlin
 - Jackie Baillie MSP
 - Mike O'Donnell, Community Planning Partnership Manager
 - John McFall MP
 - Councillor Jim Bolla
 - Councillor Geoff Calvert
 - Councillor Dennis Brogan
 - Councillor Jim McCallum
 - GMB, TGWU and UNISON Trade Unions
 - Archie Thomson MBE
 - Rosshead Tenants and Residents Association
 - Silverton and Overtoun Community Council.
4. The Commission received requests from a number of other individuals to be heard but we declined them as we took the view that the witnesses listed above were best placed to assist us in considering

the Controller of Audit's report. We also received a number of requests to give evidence in private. The reasons given for these requests were that individuals would be identified if they gave evidence in public and they feared reprisals if that were so. After careful consideration we declined to hear evidence in private. We were asked to take evidence under oath. We decided not to do so as a generality, reserving the right to do so in the case of any individual witness where we thought it appropriate. In the event we did not administer the oath to any witness. A transcript of the hearing is available on Audit Scotland's website at www.audit-scotland.gov.uk.

5. We recognise that, as it states, the Controller of Audit's report gives a broad picture of the council's performance based on the work of Audit Scotland and the findings of other scrutinising bodies such as Inspectorates and that it does not attempt a comprehensive review of all service delivery. Our findings do not attempt to confirm or refute all the points covered in the report.

Process

6. We base these findings on:

- The Controller of Audit's report.
- The written submission sent by the council's chief executive in advance of the hearing.
- The evidence given at the hearing.
- The documents referred to in evidence at the hearing.

7. The council in its submission and some of its evidence challenged the report on the grounds that it was inaccurate, lacked balance and was unduly negative in tone. In the light of the evidence to the hearing we disagree with this general criticism of the report and we find that it gives a fair overall impression of how the council operates.
8. The council made a number of criticisms of the way in which Audit Scotland carried out and reported on the audit. Some of those criticisms are appropriate for inclusion in our current review of the Best Value audit process. In our view, however, the audit was carried out in accordance with the principles which we consulted upon and agreed at the beginning of the Best Value audit programme, and the council was generally treated in the same way as other councils have been.

Background

9. West Dunbartonshire Council faces many difficulties. Its area is ranked fourth in the Scottish Index of Multiple Deprivation. It has the second lowest male life expectancy figures in Scotland and there are other poor health indicators. The area also faces significant economic problems. In the face of these difficulties the council has achievements to its name, and there are several examples of effective service delivery in areas such as education and social work. There are, however, some areas of

housing and technical services that are among the worst performing across Scottish councils. Overall, service delivery is in the middle area of performance, an assessment which the council accepts. This should not be taken as criticism of the many staff of the council who work hard to deliver services to the community.

Findings

10. The Commission finds that decision making at the highest levels in the council is not as open and transparent as it should be. For example, important decisions have been taken without full option appraisal and as a consequence the rationale for some decisions is unclear, such as the decisions on the allocation of the schools improvement fund. There are significant deficiencies in corporate decision-making at both member and officer level, which call into question the process and basis for some decisions.
11. There are serious problems of staff morale. We heard allegations of a culture of bullying and harassment from, among others, councillors and Trade Union representatives. We did not investigate individual allegations and therefore we make no findings on these individual allegations. We are concerned about the assertion that individuals were afraid to give evidence in public for fear of reprisals. This issue of a culture of bullying and harassment, whether real or perceived, must be addressed immediately.
12. We had conflicting evidence on community planning. Criticisms were made of the council's dealings with some areas of its community. On the other hand there was evidence of some effective working with community planning partners. The position in West Dunbartonshire appears to be at no great variance from that of several other councils in Scotland.
13. The scrutiny regime in the council is inadequate and there is scope for significant improvement. The operation of the arrangements for scrutiny must be reviewed, particularly as all groups of councillors need to be engaged in scrutiny. The improvements must include appropriate training for all councillors to enable them to play their role to the full.
14. There is a lack of effective leadership from senior elected members and officers, and there are poor relationships among elected members and between members and officers.
15. The Commission finds that the council is not currently in a position to deliver Best Value. We welcome the preparation by the council of a draft improvement plan. We also welcome the council's recognition that this draft plan needs to be supported by a detailed action plan with specific, timetabled outcomes, and allocation of responsibilities and resources. The Commission, however, does not have confidence that the council has the corporate capacity to deliver the planned improvements in an acceptable timescale. The council must recognise the deficiencies described in the Controller of Audit's report

and highlighted in these findings, and accept the need for effective leadership and for external assistance.

Recommendations

16. The Commission therefore recommends to the council that it takes immediate action to:

- i. Review the following decisions in the light of Best Value guidance on corporate decision-making:
 - allocation of schools improvement fund
 - partial housing stock transfer
 - closure of facilities in Renton.

- ii. Prepare and formally adopt an improvement plan to address these findings. That plan must provide for the following:

Immediate priorities

- Establish arrangements and working practices which demonstrate openness and accountability in strategic decision-making processes.
- Develop and implement medium to longer term strategies to ensure effective management of resources, including financial planning and workforce planning. These arrangements should also be integrated with the service planning process.
- Ensure robust and effective scrutiny arrangements, including the involvement of opposition elected members, covering the council's decision-making processes as well as service performance, are put in place.
- Develop a culture to support best value and continuous improvement across the organisation.
- Review political and managerial structures to ensure that they operate effectively and are complementary.
- Provide elected members with support and training to discharge their functions.
- Agree and adopt formally an up-to-date community plan. Continue to drive the community planning partnership with a focus on defined outcomes.
- Establish robust action plans for all areas of poor performance identified within the best value report and housing services in particular.
- Refine and embed the new performance management framework, improve traffic light reporting to better support scrutiny, resource allocation and public performance reporting.

- Establish robust arrangements from which the council is able to demonstrate the competitiveness of its services.
- Develop and embed a risk management culture across the council.

Medium term priorities

- Ensure robust review and option appraisal is undertaken on all services.
 - Implement a leadership and management development programme.
 - Review community engagement activity for efficiency and effectiveness.
- iii. Allocate sufficient resources to implement the actions in the plan.
- iv. Engage external assistance to deliver the necessary improvements.

Further report

17. We require the Controller of Audit to make a further formal report on the council's progress in implementing its statutory Best Value duty as at 31 July 2007.

The Audit of Best Value

This report is made by the Controller of Audit to the Accounts Commission under section 102(1) of the Local Government (Scotland) Act 1973. After considering it the Commission may do any or all of the following:

- direct the Controller to carry out further investigations
- hold a hearing
- state its findings.

The Local Government in Scotland Act 2003 introduced new statutory duties relating to Best Value and Community Planning. The scope of Best Value and Community Planning is very broad but in general terms a successful council will:

- work with its partners to identify a clear set of priorities that respond to the needs of the community in both the short and the longer term
- be organised to deliver those priorities
- meet and clearly demonstrate that it is meeting the community's needs
- operate in a way that drives continuous improvement in all its activities.

The challenge for local government is to find new ways of working across services and with other bodies to achieve the best results for citizens and service users. The key objectives of this audit were to:

- assess the extent to which West Dunbartonshire Council is meeting its duties under the Local Government in Scotland Act 2003
- agree planned improvements with the council. These will be reviewed by the council's external auditor over the next three years.

As Best Value and Community Planning encompass all the activities of a council it is not realistic to audit everything in depth, so we plan our detailed work in two ways:

- Where possible, we draw on the findings of other scrutiny processes, such as the work carried out by the council's external auditors and by inspectorates. These are incorporated into our report.
- We select certain aspects of the council's performance for detailed audit investigation. A wide range of sources, including the council's own assessment of its performance, reports issued by

external audit and inspections, and national Statutory Performance Indicators, informs this selection.

- The report reflects this selective approach, with detailed commentary on some areas and limited or no coverage in others. While we have made some comparisons with other councils, our overall approach has focused on performance trends and improvement within West Dunbartonshire Council. The report reflects the picture available at the time our main audit work was conducted between January and April 2006. Some additional audit work has been carried out over the 2006 summer period to verify additional evidence received.

We gratefully acknowledge the cooperation and assistance provided to the audit team by West Dunbartonshire Council, particularly the councillors and officers contacted during the audit. We would like to particularly thank Councillor Andy White, the Leader of the Council, Tim Huntingford, the Chief Executive, and David Webster, Section Head (Performance Management).

Overall conclusions

West Dunbartonshire Council has made limited progress in Best Value and it urgently needs to address weaknesses in the way the council is run. Its leadership is not well respected by staff and community partners; there are difficult relations between some members and between members and officers; and there is a lack of transparency and openness in decision-making. Frequent structural changes have created an unstable management framework and staff morale is not strong. We heard of many allegations of bullying in the council.

Although the council has introduced new processes recently these are not well embedded. A community plan needs to be adopted and robust plans are required to tackle financial pressures and low reserves. Scrutiny arrangements, performance management, option appraisal and staff development all require attention urgently. Risk is not systematically considered and a risk management culture needs to be promoted.

There are foundations on which to build improvement. Senior elected members and the chief executive have identified a vision for the future of West Dunbartonshire and a corporate planning framework is in place. There is some good performance in education, social work and regeneration and charter marks have been obtained in some services. The council undertakes some good joint work with partners and West Dunbartonshire has a tradition of active, well engaged community groups.

However the prevailing culture in West Dunbartonshire does not support continuous improvement and the priority for elected members and the council leadership is to address this deficiency.

1. West Dunbartonshire lies to the northwest of Glasgow, between Loch Lomond and the River Clyde. It is one of the smallest councils in Scotland, covering an area of 61 square miles. The population is declining and is projected to decline by a further four per cent by 2014. This decline is particularly marked in young people and the council is seeing increasing levels of under occupancy in its primary and secondary schools. In contrast, the elderly population is increasing, placing greater demands on the council's social care services.
2. West Dunbartonshire is one of the most deprived areas in Scotland, and is ranked fourth in the Scottish Index of Multiple Deprivation. The area also faces a number of significant health challenges including the second lowest male life expectancy figures in Scotland (70.7 years) and high rates of teenage pregnancy (47 per 1,000) and coronary heart disease (885 men under 65 per 100,000). The area has seen significant improvements in its unemployment figures with a reduction from 11.9 to 4.9 per cent since local authority reorganisation in 1996.
3. In 2004/05, the council's net revenue expenditure was £178.9 million and the council is the ninth highest spending council per head of population. Band D council tax for 2006/07 is £1,138 which is above the Scottish average of £1,129, and is the 11 highest in Scotland. In 2005/06, rent loss as a

consequence of unlet houses is estimated at £2.1million, which represents 7.4 per cent of the council's overall rental income, and is the highest in Scotland.

4. The council comprises 22 elected members and 16 councillors from the current Labour Administration. The opposition consists of three Scottish Nationalist Party, one Socialist, and two Independent councillors. Since the inception of West Dunbartonshire Council, following local government reorganisation in 1996, the council's history has been characterised by political instability, and at the time of our audit, political infighting continued to be played out publicly through the media, both between factions of the administration centred on Dumbarton and Clydebank, and between the administration and the opposition, who do not engage with the council's scrutiny arrangements.
5. The council has set out its vision for the area in its corporate plan. This links well to the priorities of the political administration as set out in its manifesto and the community plan. However, despite the clear commitment of the leader of the council and the chief executive, elected members and officers do not hold a consistent view regarding the council's vision and its priorities.
6. The council also has a significant amount of work to do in respect of its community planning role. Renton, within the council's area, was the subject of a community planning pilot led by Communities Scotland. However, the council has ongoing relationship difficulties with its community representatives, and these difficulties are cited by partners as the main reason for the lack of progress over the last 18 months. The community plan for the area was issued as a consultative draft in 2000 and West Dunbartonshire remains the only area in Scotland which has not yet adopted a formal community plan. Community planning in West Dunbartonshire has lacked impetus and its activity has been narrowly focused on establishing structures; the area's Regeneration Outcome Agreement (ROA) priorities define and drive much of the activity of the Community Planning Partnership (CPP).
7. The leader and chief executive demonstrate their commitment and motivation to champion key initiatives, and service directors provide some good leadership within their service areas. However, more generally, leadership from elected members and officers has not been effective in progressing the council's best value agenda. Key factors in this lack of progress are poor relationships between elected members; poor relationships between elected members and officers; the council's constrained financial position which has severely limited its investment potential; and a lack of openness and transparency in the council's decision-making arrangements.
8. Our staff survey and interviews with officers, elected members and partners also raised questions about the effectiveness of the leadership of the council: 59.3 per cent of staff responding to our survey indicated that elected members do not provide good leadership, whilst 48.6 per cent indicated that senior managers do not provide effective leadership. The council does not have in place any form of leadership development for either elected members or senior officers, although elected members generally consider that they receive appropriate support to carry out their responsibilities.

9. The council has also suffered from instability in its management arrangements. Over the last ten years there have been four major reorganisations, and the most recent of these was underway at the time of our audit. During 2006 four members of the Corporate Management Team (CMT), including the chief executive, will retire and further restructuring of council departments is taking place. This recent reorganisation was opportunistic and largely motivated by the need to identify significant financial savings in order to set a balanced revenue budget for 2006/07. The restructuring was not based on a robust and strategic appraisal of options and the resultant structures do not complement existing political structures; for instance the director of housing, technical and development services will now report to six committees.
10. Senior officials indicated that the council has had a history of bullying, and information gathered during our audit demonstrates that this culture still exists within the council. Whilst the commitment of frontline staff is evident, and they are satisfied with their terms and conditions of employment morale is poor. The council's culture is a key factor in this poor morale. Our survey of staff suggests that the culture predominates in one service area – housing and technical services – although examples are evident in other council services too.
11. As a consequence, the council has not consistently developed a more open culture under its current political and managerial leadership. Its existing culture remains unlikely to support the achievement of best value and there has been limited progress in implementing the best value agenda. In particular, the council does not have a corporate culture which demonstrates openness and accountability in its strategic decision-making arrangements, or which can consistently support continuous improvement. There is evidence of an increased momentum over the last 12-18 months, but this is unlikely to be wholly effective until a more positive culture exists within the council. There are also difficulties in relationships between officers and elected members. Officers indicate that this can lead to elected members becoming too involved in service delivery matters, with priorities being changed as a result.
12. Our staff survey and interviews with elected members, staff and partners included many negative comments about how the council carries out its business. During the audit there were examples of high profile decisions being taken without a clear rationale or options appraisal, for instance the allocation of a school improvement fund of over £7 million, the council's partial housing stock transfer, and the CMT decision to trawl for applicants for voluntary severance. Elected members and officers have questioned the council's longer term viability in its current form, and significant financial pressures remain the key driver in the council's strategic decision-making. These factors do not create a positive environment within which best value and an innovative long term vision for the council can be delivered.
13. The council's financial pressures are intensified by its continued political commitment to keeping council tax increases as low as possible. The decision to go for partial rather than full stock transfer adds to the pressure on the council, requiring it to fund its investment in its retained housing stock

within affordable rent levels. The council has a low level of reserves which it plans to replenish over the next three years, although it does not have a medium to longer term financial planning framework. The council is not maximising the use of its resources. It has poor council tax collection rates, high levels of council housing rent arrears, a fragmented approach to managing its assets, and it has yet to deliver any efficiencies in procuring goods and services. It has not invested in strategic workforce planning and development. The council has started work in a number of these areas but still has a considerable way to go in managing its resources more effectively.

14. Over the last 12 months the council has increased the momentum in some key areas. Its new corporate and service planning framework aims to create good linkages between the council's strategic and operational plans, and comprehensive corporate guidance has been issued for producing service plans. The council has built on its existing consultation and community engagement mechanisms and is seeking to better coordinate this activity through its draft strategy. It has an ambitious approach to information and communications technology (ICT) which is enabling it to make progress with electronic service delivery (ESD) targets, although this may be threatened by the council's constrained financial position. The council has also made improvements to its arrangements for Public Performance Reporting (PPR).
15. In respect of service delivery, the council was ranked in the best eight performing councils for 11 out of 79 Statutory Performance Indicators (SPIs) in 2004/05, and in the worst eight councils for 22 indicators. The council's ratio of improvement to decline of 1.1 places it 17 out of the 32 councils, and just below the Scottish average of 1.2. A significant proportion of SPIs (28 per cent) remain among the poorest performing councils in Scotland, including housing rents, housing voids, council house sales, street lighting and bulky uplifts. Additional challenges remain in respect of social services funding, primary school occupancy rates and the council's recycling performance, and in housing where its measurable performance is among the worst in Scotland.
16. The council has high levels of deprivation and increasing levels of demand for some of its core services such as social work, housing and benefits administration. The council started from a low base in many of these areas following reorganisation in 1996 and it is making progress in some key areas such as improving educational attainment.
17. The council's relatively new Quarterly Performance Review (QPR) system has the potential to provide a firm base from which to scrutinise and improve service performance in the future. There is, however, scope to improve the traffic light system, which focuses on five comparator groups and may mean that misleading conclusions are reported to elected members. This in turn limits the effectiveness of elected member and public scrutiny of performance, and does not provide a robust base from which priorities can be determined or resources allocated.

18. Within this context, some effective leadership of services is evident. HMIE commented positively on the effectiveness and commitment of the director of education, and noted the good progress which has been made within the service since reorganisation. Social work demonstrates some effective joint working and has used service user feedback to inform service improvements. Improvements have been made in the processing of housing and council tax benefit claims, and in regulatory and protective services such as food hygiene, pest control and inspections of trading premises.
19. This increased momentum and improvement is welcome, but it is important that the council is able to sustain this for the future given its relatively low starting point in some areas. There are examples of longstanding initiatives in some areas, such as consultation, customer care and risk management, which have not come to fruition. The council's lack of financial resource, combined with its poor income collection and debt recovery arrangements, and its culture and operating environment, significantly limit its potential to invest in arrangements to deliver best value in the future.
20. There are a number of areas where the council still has a significant amount of work to do, including staff and workforce planning, financial planning, asset and risk management, procurement, efficient government, performance management, scrutiny, sustainable development, and equal opportunities. Work has started in many of these areas, but it is all relatively recent and provides a very challenging change agenda for the council within constrained resources and at a time of continuing political and managerial change and instability.
21. There are some signs that momentum is being built around the best value agenda; for instance the council has promoted the use of charter mark awards to build a culture which supports continuous improvement. A number of services have now achieved this award, including roads, leisure, property management, waste services, grounds maintenance, homelessness and information services. This is a positive shift but it needs to be reinforced by more effective leadership, a greater commitment to openness and more effective officer and elected member relationships, within an overall context of greater political, managerial and financial stability.

Part 1: Does the council have clear strategic direction?

West Dunbartonshire Council faces a significant number of challenges, including high levels of deprivation and significant health inequalities, against an historic background of political and managerial instability and significant financial pressures.

The commitment of senior elected members and officers is evident but this has not resulted in effective leadership of the council's best value agenda or a corporate culture which consistently supports continuous improvement. In particular the council does not demonstrate openness and accountability in its strategic decision-making and it is likely that this contributes significantly to the lack of progress to date.

Community planning has lacked impetus and does not focus on improving outcomes for local people, although the council has a well established communication and engagement network which it can build on for future improvement. In particular the council has tended to take a narrow view of its community planning responsibilities, focusing on its ROA and Community Regeneration Funding. The partnership remains the only partnership in Scotland not to have formally agreed and adopted a community plan.

Much of the council's investment in best value processes is very recent and has not yet had time to embed, mature or realise its potential in improved service delivery.

Introduction

22. In order to assess how the council is progressing its best value and community planning duties, we have carried out a number of different audit activities, including reviewing approximately 500 documents, and conducting 35 interviews with elected members, senior officers of the council, partnership agencies and community representatives. We observed nine meetings, including the CMT, the full council and the community planning partnership board, and held two focus groups, one with representatives from housing and technical services, and the other with members of the Community Planning Board.
23. To provide an opportunity for as many people to become involved in the audit process as possible, we discussed and agreed with the council that we would carry out three surveys, covering elected members, community planning partners and staff. The council had not previously undertaken a full staff survey. It had, however, conducted a staff survey when conducting its best value review of internal communications in 2000. This survey focused on internal communications and did not include questions about leadership, communication of priorities, recognising and valuing work, access to training and development or customer service. The response rates for our three surveys were 50 per

cent (11) of elected members, 38 per cent (36) of community planning partners and 17.4 per cent (1,033) of staff completing questionnaires. All of this information was considered in forming our audit judgements on the council's progress.

Context

The West Dunbartonshire area suffers from high levels of deprivation and health inequalities.

24. West Dunbartonshire lies to the northwest of Glasgow, between Loch Lomond and the River Clyde. It is one of the smallest local authority areas, covering an area of 61 square miles (Exhibit 1). Within this small area, however, there are marked contrasts. Almost half of the population lives in Clydebank, giving it a population density similar to large cities. In contrast, it also includes the southern end of Loch Lomond and contains some of the most scenic countryside in Scotland.

Exhibit 1



Source: West Dunbartonshire Council Best Value Submission

Living in West Dunbartonshire

25. West Dunbartonshire's population has been declining and this trend is expected to continue in the future. It is currently around 92,000, a decrease of five per cent since 1991. A further fall of four per cent is expected by 2014, compared with a smaller projected reduction of 0.2 per cent nationally over the same period. The fall has been particularly marked in young people and this trend is expected to continue; for example, the number of children aged from 0 to 15 is expected to fall by almost 13 per cent by 2014. As a result, there are increasing levels of under-occupancy in primary and secondary schools. In contrast, the elderly population is expected to increase by nine per cent leading to greater demand for social care services in the future.
26. West Dunbartonshire has suffered from a decline in traditional shipbuilding, manufacturing and heavy industries, resulting in a greater reliance on the manufacturing and service sectors. The area relies on large and predominantly service based enterprises such as Vodafone and the Golden Jubilee National Hospital, which represent 12 per cent of all of the area's businesses compared with two per cent for Scotland as a whole.
27. West Dunbartonshire is Scotland's fourth most deprived local authority area. Average weekly earnings of £363.50 are low compared with the Scottish average of £411.70. The percentage of the population who are unemployed and claiming benefit is 4.9 per cent, compared with the Scottish average of 3.3 per cent.
28. West Dunbartonshire's population also has a number of significant health challenges. The life expectancy of males living in West Dunbartonshire is 70.7 years, the second lowest in Scotland, compared with the Scottish average life expectancy of 73.8. The West Dunbartonshire ROA highlights a significant contrast between its resident population and that of the neighbouring population in East Dunbartonshire against a series of health and social indicators. Updated figures for 2006 are set out in [Exhibit 2](#).

Exhibit 2

West Dunbartonshire faces significant health challenges.

	East Dunbartonshire	West Dunbartonshire
Teenage pregnancy rates per 1,000	23.5	43.1
Rate of new patients – drug misuse (2003) per 100,000 population	78	384
Deaths by coronary heart disease of men under 65, per 100,000 population	333.1	471.5
Mortality rate per 1,000 population for men aged 45 to 64 (2003)s	6.67	13.2
Life expectancy for men (years)	77	70.7
Life expectancy for women (years)	80.4	77.6

Source: West Dunbartonshire Council, 2006

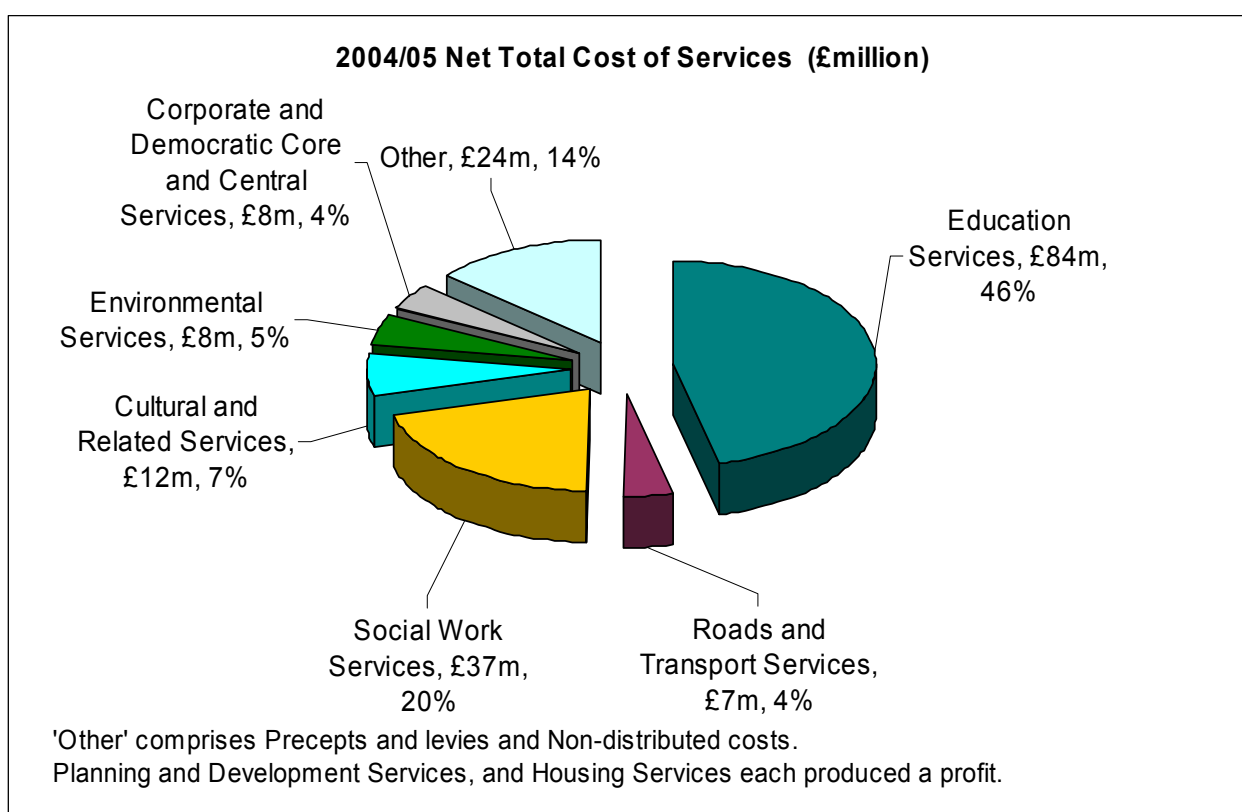
29. The percentage of economically inactive people who are permanently sick or disabled is 26 per cent compared with 21.3 per cent for Scotland as a whole. These health problems represent a significant long term challenge to the council and its partners.
30. Council houses make up a relatively high proportion of the housing stock and there is a relatively low proportion of privately owned housing. The average weekly council house rent is £43.84 which is below the Scottish average of £44.78. Rent loss as a consequence of unlet houses is estimated at £2.1million in 2005/06, representing 7.4 per cent of the council's overall rental income and the highest in Scotland. There are fewer houses in the lowest and upper council tax bands and the Band D council tax for 2006/07, at £1,138, is slightly above the Scottish average of £1,129, and 11 highest of all Scottish councils.

Council finances

31. In 2004/05 the council's net revenue expenditure was £178.9 million. This equates to £1,946 per head of population, the ninth highest among Scottish councils. The proportion of the council's revenue budget spent on each service is set out in [Exhibit 3](#).

Exhibit 3

Net revenue expenditure by service area 2004/05



Source: *West Dunbartonshire Consolidated Revenue Estimates*

32. The council considers that it suffered financially at Local Government reorganisation in 1996. Despite receiving funding from the 'Mismatch Transitional Scheme' the legacy continues to put a strain on managing services and resources. The council have continued to make representations to have the distribution formula adjusted to apportion Grant Aided Expenditure with a greater emphasis being placed on the indices of deprivation rather than population.

Political and managerial arrangements

33. At the time of the audit the council had a Labour majority with 17 out of a total of 22 councillors. The opposition consists of two Scottish National Party (SNP), one Scottish Socialist Party and two

Independent councillors. A recent by-election has reduced the Labour administration to 16, with the SNP gaining one seat.

34. The council has had a history of significant political difficulties and instability, including relationship difficulties between senior elected members and senior council officers which led to a change in chief executive in 1999 and an 18 month period with no overall political control. In recent times relationships have improved, but there is still instability due to frequent restructuring, and political difficulties remain within the council. This is discussed in more detail in para(s) 40, 43 and 45.

Vision

The current vision is consistently stated in corporate and community plans and is fundamental to the council's Performance Management Framework (PMF). However, elected members and officers do not offer a consistent view of either the vision or its priorities, and the longer term vision, ambition and sustainability of the council lacks clarity.

35. The council faces a range of demographic, economic, health and political challenges within an environment which has not achieved much stability since the council's establishment in 1996. Given these challenges, the articulation of a clear long term vision and priorities, shared by the council's partners and the wider community, is critical.
36. The council's overall vision is consistently articulated in the corporate plan 2005-2009 and the draft community plan 2000: 'Working together we want to end poverty and exclusion, deliver better services and improve the quality of life for the people of West Dunbartonshire'. However, when asked, officers and elected members do not have a consistent view of the council's vision and priorities, and this lack of a consistent view is shared by CPP. Without a clear and shared understanding of the vision and priorities it is difficult for a council to sustain its focus on what matters, or allocate its resources to areas of greatest need.
37. It is clear that the council has concerns over its longer term sustainability in its current form. This issue was raised by both elected members and officers and this uncertainty limits the council's ambition and longer term vision for the area.
38. The PMF provides a structure which has the potential to ensure a consistent view of the vision and priorities within and across services. The links are developing but are not yet firmly established. It is important that the council builds on this investment to develop a shared view of priorities and focus for the future.

Leadership

The motivation of senior elected members and officers is evident but the council's leadership has not been effective in progressing the council's best value agenda until recently. It now needs to step up the pace of change and build on the progress it is starting to make, in particular ensuring

that the principles of best value are embedded throughout the council and developing more effective officer and member relationships.

39. In order to address the significant challenges facing the council, effective and committed political and managerial leadership is required. The chief executive and the leader of the council are clearly motivated in their willingness to champion and lead key council initiatives such as efficient government, community planning, and regeneration, and they are committed to high profile corporate and external initiatives such as child protection, community care and tackling deprivation. This commitment has not, however, translated into effective leadership to achieve continuous improvement, and until recently there has been limited progress with the best value agenda.
40. We have identified a number of potential reasons for this lack of effective leadership. Relationships between the administration and the opposition are not always constructive or effective. Both officers and members reported poor relationships and many of these difficulties continue to be played out publicly in the local media. This has led to assertions that decisions are not always taken in the interest of the whole area, and in particular the allocation of resources to Dumbarton and Clydebank is contentious. We saw examples of this during the audit process, and these are discussed further in the accountability and openness section of this report.
41. The relationships between elected members and officers are also not always effective. Our staff survey and interviews highlighted examples of intervention by elected members in service delivery which resulted in changes to priorities and allegations where elected members have, on occasion, used their influence to secure preferential treatment for constituents.
42. The council's current political structures are shown in [Exhibit 4](#).

Exhibit 4

The key committees

Audit & Performance Review

Children's Services

Community Participation

Community Safety & Environmental Services

Corporate Services

Planning

Social Justice

Health Improvement and Social Justice Partnership

Source: West Dunbartonshire Council

43. The council has previously tried out different political structures. Between November 2000 and June 2001, it operated an executive model with a cabinet; this was discontinued after seven months when some politicians from both parties became disenchanted with their scrutiny roles. In June 2001, area forums were introduced as a means of enabling all elected members, as well as local people, to contribute to the council's decision-making processes. Following initial consultation, the first meetings were held in May/June 2002. They met approximately every two months between June 2002 and April 2003 and the last meetings were held just before the May 2003 elections. Following the election, the council introduced a system of thematic committees.
44. These examples illustrate the council's willingness to try out new arrangements in the past. However the council did not carry out robust evaluation of either of these approaches at an interval that allowed sufficient time for them to bed in and mature. A thorough evaluation of options is likely to deliver more sustainable arrangements.
45. Between 1996 and 2006, there were four major reorganisations of management structures, reducing the CMT from ten to four. The latest reorganisation was taking place at the time of our audit and aimed to result in an overall reduction of two directors, leaving three directors and the chief executive in the CMT. This reorganisation has resulted in a new configuration of services: development and environmental services has merged with housing and technical services, and corporate services have become the responsibility of the chief executive; education and cultural services and social work are unaffected. The CMT will undergo further change later this year with the retirement of the director of education and cultural services and the chief executive.
46. This recent reorganisation was opportunistic and largely motivated by the need to identify significant financial savings in order to set a balanced revenue budget for 2006/07. The reorganisation proposals were not based on a robust and strategic appraisal of options and the resultant structures do not complement existing political structures. For instance, the director of housing, technical and development services will now report to six committees: community safety & environmental services; social justice; planning; tendering; licensing; and audit & performance review.
47. The CMT are on five year fixed term employment contracts, reviewed annually. Each director is subject to an annual appraisal by a panel comprising elected members and the head of personnel. The council has adopted this approach to improve the accountability and performance management of its senior officers. However, given the council's history and the significant challenges within its operating environment, the council needs to review whether these arrangements will deliver the stability, innovation and vision which is needed for the future.
48. The CMT meets on a fortnightly basis to discuss key strategic issues, but directors concentrate mainly on their own directorates and more could be done to ensure better corporate linkages and to champion key corporate issues. The CMT faces some major challenges and the council needs to

ensure it has the capacity to effectively address these. In the short term, with the retiral of the chief executive and the directors of development and environmental services, corporate services and education and cultural services, the council needs to consider whether it has the capacity to maintain its recent momentum in respect of the best value agenda.

49. A best value strategy group, consisting of the CMT and other departmental representatives, has been in operation since 1997. It has had a limited role, focusing primarily on best value service reviews, and it has not established corporate mechanisms to ensure that best value is embedded within the culture of the organisation. It has a broad remit which has recently been expanded to include sustainability, equal opportunities, efficient government and consultation. There is no involvement of elected members, and no equivalent elected member best value steering group.
50. The establishment of a separate strategy group has had some success in raising the profile of best value, but the group now needs to embed best value within the culture of the organisation. Alongside this the CMT should routinely consider best value, including service performance and the outcomes of best value reviews, at a more strategic level. This would avoid the need for all CMT members to sit on the steering group, free up strategic capacity and contribute to mainstreaming best value across the council.
51. The staff survey asked respondents for their opinions of the leadership provided by both elected members and senior officers of the council. 59.3 per cent indicated that elected members do not provide good leadership, 21.2 per cent indicated elected members provide good leadership, and 19.6 per cent offered no view. The figures for senior managers showed 48.6 per cent of respondents indicating that leadership is not good, 39.9 per cent indicating that senior managers provide good leadership and 11.5 per cent offering no view. In the survey staff also commented on the need to improve the support and effectiveness of management.
52. The council does not have any form of leadership development in place for either senior elected members or senior officers; although elected members generally feel that they receive adequate support and guidance to help them perform their duties. This is a missed opportunity to develop the council's capacity to address the significant challenges within its operating environment and to invest in the future, contribute towards more effective succession planning and motivate individuals.

Culture

The council does not have a positive culture in place to support the delivery of best value and continuous improvement. Staff morale is poor, and staff and partners have commented on the council's history of bullying which is still evident in some service areas. The council's self awareness is also poor.

53. The council's self awareness about progress on the best value agenda is not good. The council's self assessment broadly identifies the priority areas for improvement but the ratings of its own performance are consistently higher than the evidence from our observations, interviews, focus group and staff survey supports. This suggests that the council underestimates how much it still needs to do.
54. In para 23 we set out the background to the councils 2000 staff survey. Some services, such as corporate services, have conducted their own internal survey and the council plans to carry out a full survey in future. The plans for this, however, are at a very early stage. This is a missed opportunity for the council to engage with staff, test out progress and develop its future plans.
55. The staff survey carried out by the audit team indicated high levels of satisfaction with terms and conditions, with 75.6 per cent of respondents agreeing that the council is a good employer.
56. The high levels of satisfaction do not, however, extend to staff morale. This view was evidenced directly through comments received from the staff survey, interviews and a staff focus group. More than half of the survey respondents opted to use the free narrative option, offering many negative comments relating to staff concerns such as a lack of transparency and accountability in decision-making, bullying and harassment.
57. The council is required to 'demonstrate a commitment to high standards of probity and propriety' (Best Value Guidance, Commitment and Leadership). The council includes guidance on this issue in its code of conduct for elected members and officers as well as in its protocol for member/officer relations. It has in place a policy for confidential reporting as well as a hotline for reporting incidents and promotes both through the council's Intranet. There had been six recorded incidents through the hotline since it was launched in March 2006. The number of grievances dealt with by the council during the first six months was also low with 11 lodged.
58. There is a perception among some officers, members and partners that the council's business is not always conducted appropriately. A number of examples, covering many aspects of the council's operation, were cited mainly involving inappropriate decision-making arrangements (covered in the following section). We also heard of allegations of misappropriation of council property (for example repair work undertaken outwith approved policies and procedures), and of collusion with external partners with regard to the award of contracts. Where appropriate, details of these have been passed to the council's internal audit department. The external auditor will continue to monitor this area. These examples highlight the lack of confidence that some stakeholders have in the way in which the council conducts its business.
59. Numerous allegations of bullying and intimidation were made during the audit, in interviews, the staff survey and a focus group. The staff survey suggests that the culture predominates in one service

area – housing and technical services, although examples are evident in other council services too. This culture is also generally recognised by some of the council’s external partners.

60. The council acknowledges that elements of the culture described above may exist within certain parts of the organisation. It suggested that these issues had been more prevalent in the past and indicated that the culture had improved, although it offered no evidence to substantiate this.

Responding to the needs of the community

Overall, there is a demonstrable commitment to the principle of community engagement in West Dunbartonshire. There remains scope to build on this by adopting a more strategic approach to minimise the risk of duplication, overlap and fragmentation in its various consultation activities, and to develop more focused and effective arrangements for the future.

61. The council has a draft consultation and community engagement strategy which was submitted to council for approval in June 2006. It sets out the council’s approach to why, when and with whom it will consult. This latest document builds on previous investment in developing a corporate approach to consultation and communication, such as the External Communication and Consultation Strategy (2003), Standards for Community Involvement and the Customer First Strategy (2005). The actions outlined in the current draft Strategy echo many of those proposed following a Best Value Review of External Communications carried out between 2000 and 2002.
62. There is a strong tradition of community activism in West Dunbartonshire and the council has actively encouraged engagement through numerous community engagement initiatives such as Area Committees, Community Week and its Community Participation Committee (CPC). In addition, the council participates in a number of partnership activities and events designed to facilitate community engagement.
63. The Citizens Panel was established in 1998. Its use was previously limited to testing initial priorities for the community plan, informing the budget setting process, and latterly obtaining feedback on Customer Service Standards. It was reinvigorated towards the end of 2005 and there are now 1,200 representative members. The Panel operates as a shared resource for the CPP. The Citizens Panel’s activity is coordinated by a Citizens’ Panel Steering Group which includes representatives of all community planning partners. The findings of the first survey (January 2006), carried out by the refocused Panel on Community Safety themes, were reported to the February Civic Forum event. The most recent survey focuses largely on health matters, but also includes questions relating to the council’s PPR obligations.
64. The council established its Community Participation Committee (CPC) in 2003. The CPC is the main mechanism for involving the community in the council’s decision-making processes. The committee comprises 36 members; 26 representatives from local community based organisations and ten

elected members of the council. Community representatives direct the committee's agenda and have opportunities to hear presentations and question council officers and representatives of other partner agencies. The CPC, however, has no delegated powers due to the high ratio of non elected to elected members. The main aim of the CPC is to act as a conduit for obtaining community views and promoting direct discussion between members of the local community and elected members.

65. The council has been running a community conference for community representatives since 1997. In 2005, the conference developed into a less formal Community Day as the highlight of Community Week coordinated by the CPP. The theme of the 2006 event was 'Life is for living' and it combined workshops, demonstrations and talks led by the various partners.
66. A civic forum was established in November 2005. This is the CPPs main conduit for community engagement. Civic Forum meetings are open to all and are advertised in the local press. There is a clear link with Community Day and Community Week activities.
67. The council also provides a discussion forum on its website which is actively used by members of the communities it serves. The forum is monitored by the ICT section who contact service departments as appropriate, and post answers on the forum. Discussion topics have included items on the regeneration of the schools estate and environmental issues such as 'smokeless zones'.
68. Service departments conduct their own consultation activities with their users. This has recently included consultation by social work on mental health and home care arrangements, housing on the provision of a warden service, and education on the regeneration of the schools estate.
69. The council has established numerous mechanisms for community engagement and consultation, but there has been no overall strategic approach to managing or planning its activities. This results in potential duplication or overlap of activity and can consume a significant amount of elected member, staff, partner and representative time. The draft strategy provides an opportunity to improve on this and in particular, evaluate:
 - how these various mechanisms fit together, complement and enhance each other
 - the output of these activities
 - the impact of community engagement, i.e., how feedback is used to inform policy development.
70. Since 2000 there have been a number of false starts where activity has been initiated, a review carried out and a strategy drafted, but these activities have not acted as a stimulus for progress and there have been few tangible improvements. There appears to be a degree of momentum behind the current approach but it is very recent, making it difficult to determine whether the council will make more progress this time.

Community planning and joint working

West Dunbartonshire is the only area in Scotland not to have agreed and adopted a community plan. The partnership is still using the consultative draft which was issued in 2000. More generally, community planning in West Dunbartonshire has lacked impetus and its activity has had a narrow focus on establishing the structure and developing the ROA. A significant challenge remains for the partnership in ensuring its community planning arrangements can deliver improved outcomes and services for local people.

In spite of this the council has had a history of effective joint working across all aspects of its operation, particularly as a consequence of its limited financial resources. The council can build on the examples of effective joint working at both corporate and service levels as it aims to broaden the vision and impact of the CPP.

71. The community plan was published in 2000 as a consultative draft. Feedback was received but a final plan has not been approved, and it remains in its original consultative draft format. Audit Scotland's community planning study shows that West Dunbartonshire is the only area in Scotland not to have agreed and adopted its plan.
72. The community plan sets out the vision, targets and working principles for community planning across West Dunbartonshire. The vision and targets were initially established by a core group drawn from partner organisations. Additional themes were then identified by community representatives at the community conference in 1999, together with key priorities and action areas. The main themes of the community plan are set out in [exhibit 5](#).

Exhibit 5

Main themes of the community plan

Main themes	
• Work	• Transport
• Health & Wellbeing	• Children & Young people
• Learning	• Environment

Source: 'West Dunbartonshire Community Plan.'

73. The community plan aims to provide the strategic framework for partnership working to deal with local issues, improve services and share resources. This is a complex and challenging agenda and without an effective, agreed and up to date community plan the partnership has less chance of success. There has been no review of the community plan vision and its associated action plan since it was first drafted, although plans to produce a new plan during the next year have now been announced.
74. In 2004, a report by the community planning core group was presented to the Social Inclusion Partnership (SIP) Board, outlining proposals for the composition of a new integrated CPP. The report and its recommendations were approved by all partners except the council, due to disagreement

about proposals for community representation. As a consequence, some community representatives withdrew from the Board. During this period there was an adverse impact on the CPP progress, the loss of goodwill and an overall deterioration in relationships. Partners cite this as the main reason for the lack of progress over the past 18 months.

75. In line with national requirements the CPP was restructured in 2005 to integrate the SIP structure with the area's community planning arrangements, with funding primarily from the Community Regeneration Fund (CRF). The new structure for the Board includes various public sector agencies and community groups which account for 50 per cent of the Board's membership. This is a high proportion, and results in a rather large Board which struggles to focus on its broader strategic responsibilities. The current membership is:

- West Dunbartonshire Council
- Communities Scotland
- Scottish Enterprise Dunbartonshire
- Strathclyde Police
- NHS Greater Glasgow
- Strathclyde Fire and Rescue
- Clydebank College
- Jobcentreplus
- Scottish Business in the Community
- West Dunbartonshire Minority Ethnic Association
- Dumbarton District Housing Federation
- Lone Parents
- West Dunbartonshire Community Councils Forum
- West Dunbartonshire Seniors
- Association of Clydebank Residents Groups
- CVS
- West Dunbartonshire Access Panel

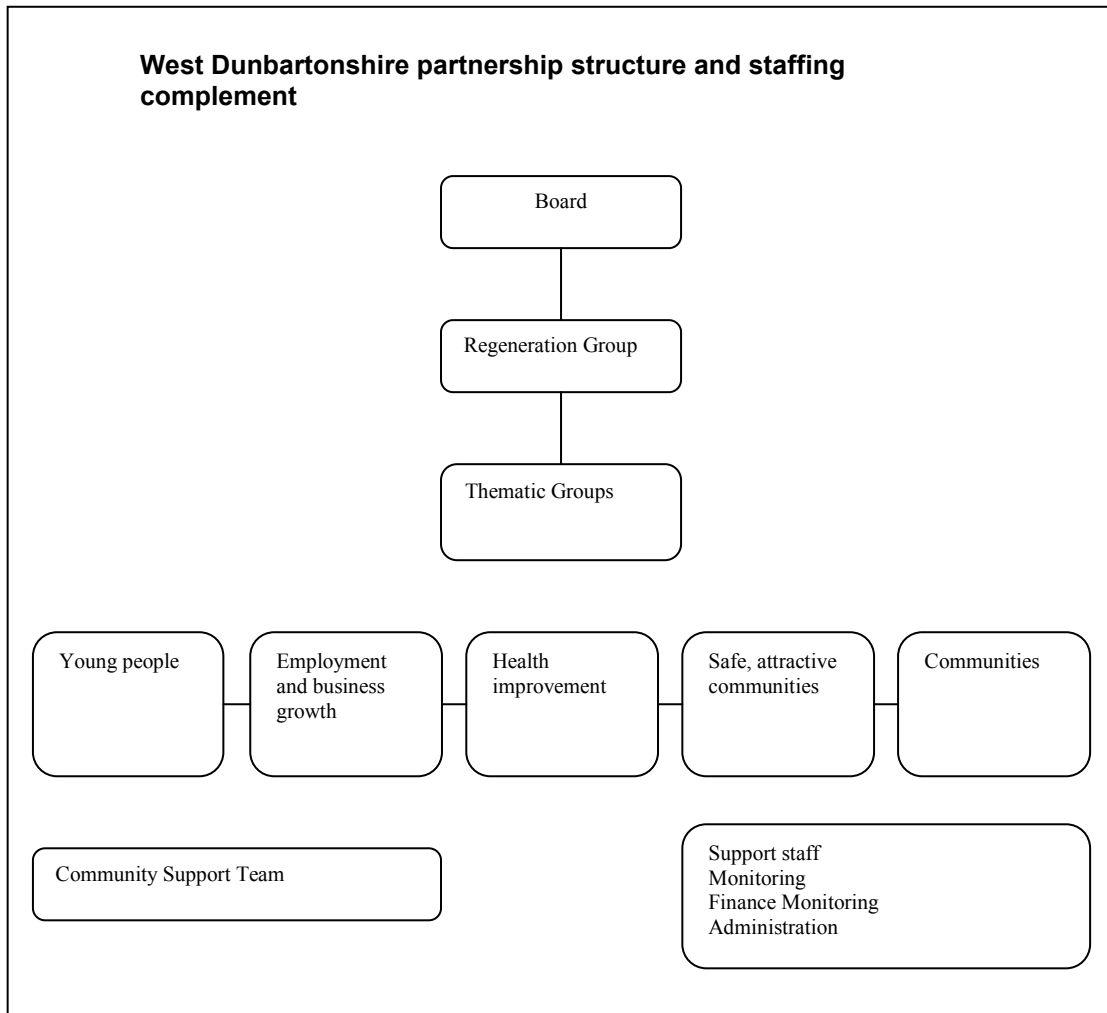
76. Concerns over the composition of the community planning board were raised by community planning partners during the audit process. These concerns related primarily to the Board's effectiveness as a decision-making mechanism and its ability to act strategically, given both the number of Board members and the differing priorities of individual board members.

77. The Scottish Executive's Advice Notes on community planning acknowledge that others should be invited to engage in the process, but also point out that Board level representation at the core strategic partnership may not be appropriate for all bodies. The board for West Dunbartonshire CPP would benefit from refocusing its activities and downsizing to include only core partners. The commitment to involving community representatives at all levels is commendable, but other community engagement mechanisms, such as the new civic forum, could be used to secure input from the wider community whilst allowing the CPP to focus on more strategic issues.

78. The current structure for community planning is set out in [Exhibit 6](#).

Exhibit 6

West Dunbartonshire partnership structure and staffing



Source: Community Planning Partnership Board Minutes

- 79. The Board has a strategic role in setting policy direction, monitoring delivery programmes and agreeing resource allocation. The Regeneration Group has 14 members – ten partners and four community representatives. It acts as a link between the Board and the Working Groups, coordinating and building partnerships whilst overseeing issues. It is also responsible for developing sustainable approaches to the themes and it has overall responsibility for the worklessness theme.
- 80. The Regeneration Group is newly established with a heavy agenda and there is scope to rationalise its remit. At present there is scope for confusion and duplication of activity between the Partnership Regeneration Group (PRG) and the thematic groups. There is an important coordination role for the PRG in supporting the CPP and driving the work of the thematic groups, but roles and responsibilities need to be more clearly defined. This is especially important given its pivotal role in developing the Regeneration Trust proposal (paragraph 84).

81. The role of the Working Groups is mainly operational, linking and aligning CRF and mainstream funding, developing a coordinated approach to the ROA and community planning themes, encouraging joint working and networking between partners, developing the 'worklessness' theme as a holistic CPP approach, and helping to rationalise key plans, strategies and partnerships within their theme.
82. ROA priorities define and drive much of the scope of activity of the CPP, both because the community plan dates from 2000 and because deprivation is a significant feature of the area. So far, there is little evidence of the CPP embracing the broader aspects of community planning.
83. Community planning costs, including the majority of staff costs, are funded from a combination of the CRF and Better Neighbourhood Fund (BNF). The CPP received a total CRF grant of £13.5 million covering a three year period between 2005 and 2008. CRF monies are scheduled to be phased out by the end of 2008 and, unless plans are put in place to address this loss of funding, the CPP will face significant financial pressures in the future. The Regeneration Trust aims to address this issue.
84. The Regeneration Trust is a recent proposal from the CPP which will receive core funding from partner contributions and aims to:
- improve coordination of CPP regeneration activity by providing a single focal point and a clear delivery mechanism
 - release capacity within the rest of the CPP to deal with other aspects of community planning
 - provide a strategic approach to resource allocation which should result in fewer, but more strategically aligned projects
 - generate income by exploring external funding options.
85. Since the inception of the new CPP structure, performance reporting has been limited to the monitoring of CRF spend. Between 2000 and 2003, a performance monitoring and reporting system was in place with regular traffic light reports to the community planning core group. These monitoring reports showed progress on each of the themes and, although they were project focused, they did include outcomes, outputs, targets and progress. The actions underpinning the ROA objectives are subject to performance monitoring, and the development of a new PMF is planned as part of the ongoing review of the community plan. This is scheduled to be completed by the end of 2006.
86. [Exhibit 7](#) provides details of a community planning pilot in the village of Renton.

Exhibit 7

Renton community planning pilot

The village of Renton is located in the Vale of Leven, just south of Alexandria on the banks of the River Leven. The area has suffered from the decline of its manufacturing and heavy industry and today suffers from persistent and deep-rooted deprivation.

Partly as a consequence of these problems, Renton was selected as a community planning pilot. The project involved a range of partners from across the area. From the outset, the pilot had a number of clearly defined objectives which focused on the regeneration of the physical infrastructure of the area including:

- the provision of shops, housing and a health centre
- the development of the Carman Centre
- environmental improvement projects such as streetscaping and the creation of a 'village square'.

Phase 1 of the pilot project ran from 2002 to 2004. An evaluation report was commissioned by the steering group to assess its impact, and identify lessons for the future. Overall, the pilot had achieved most of what it set out to do in terms of physical regeneration of central Renton, the creation of a town centre and environmental improvements, as well as initiating the planning for an integrated health centre. Further, there was agreement that the majority of these achievements would not have been realised had the pilot not been undertaken, although there was a view among partners and community representatives that the council could have been more committed to the process.

The intention was that the evaluation report would be considered by the CPP with a view to commencing a formal Phase 2 project and assessing whether the approach could be applied to other areas, but the CPP Board has not considered the evaluation report to date.

Phase 1 of the pilot finished almost two years ago. Since then, there have been some major achievements, such as the opening of a new medical centre in April 2006 that brings together two GP surgeries, a pharmacy and accommodates various peripatetic clinics.

Source: Audit Scotland

Joint working

87. Joint working occurs between council departments, with other agencies and service providers, and through shared service and joint working arrangements with other councils. The Criminal Justice Partnership (CJP) is an example of effective joint working. The council is the lead authority in the CJP, working with Argyll & Bute Council and East Dunbartonshire Council. A 2004 Inspection report by the Social Work Services Inspectorate (SWIA) commented on a number of positive features,

including continued high performance in the face of increasing demand for core services such as probation orders and community service orders.

88. Since 2000, community planning has provided a more formal strategic framework within which the council's joint working arrangements can be structured. In some cases, the CPP framework has subsumed partnership groups which were already in existence, such as the Community Safety Partnership (CSP) which has been in operation since 1999. The CSP is chaired by an elected member, and was formed in response to the Scottish Executive's strategy. It has a well-established remit underpinned by three main priorities defined by public consultation:
- Tackle anti-social behaviours in identified hotspots in West Dunbartonshire.
 - Reduce accidents (road, fire and home) and injuries among identified groups in West Dunbartonshire.
 - Address substance misuse among target groups in West Dunbartonshire.
89. These priorities are addressed in the community safety action plan 2005/2008. The CSP demonstrates a greater maturity than many of the other thematic groups within the current CPP and this may reflect its longer standing and greater stability of its funding.
90. Other key achievements by the CSP include diversionary programmes for young people; the Pulse Project provides a range of activities such as sports, drama and music aimed at diverting young people away from potentially anti-social behaviours. Offshoots of the project are being developed to address specific needs, including Pulse Plus aimed at 'harder to reach' young people and Pulse Outreach which rolls out the project to other areas of West Dunbartonshire.
91. Joint working between leisure services and social work has resulted in the 'Shining Stars Initiative'. This initiative focuses on providing a programme of sporting activities for children with, or affected by, disabilities. In addition to improving the health and fitness of those involved the initiative also provides respite for parents and carers. External agencies such as Sense Scotland and Scottish Disability Scotland have become involved.
92. The Macmillan West Dunbartonshire Partnership Project is designed to provide a 'one-stop' welfare benefits service for claimants who have been diagnosed with cancer. The objective of the partnership is to provide a more client-focused, streamlined service for cancer patients and their families in West Dunbartonshire. A steering group comprising of representatives from Macmillan Cancer Relief, the council and patients oversees the work of the partnership.

Corporate and service planning

The infrastructure for corporate and service planning has recently been established. It potentially provides a good base from which to build future improvement, but the council has yet to fully and consistently embed its new arrangements across all of its operations.

93. West Dunbartonshire produces a corporate plan once every four years to complement the administration's manifesto. The corporate plan sets out the council's vision ([Exhibit 8](#)) and main priorities which through corporate and departmental priorities and objectives are underpinned by a series of actions and a more limited set of 'smart' criteria. There is scope to improve on the clarity and robustness of these priorities and to make the objectives more outcome orientated. However, this is a significant advance by the council.

Exhibit 8

Corporate development plan 2004-07

Working together we want to end poverty and exclusion, deliver better services and improve the quality of life for the people of West Dunbartonshire.

Priorities

- Regenerate and develop the local economy.
- Promote health & well being.
- Promote life long learning.
- Create a better environment.
- Develop our children and young people.
- Provide high quality, best value services.

Source: West Dunbartonshire Council Corporate Development Plan 2004-07

94. There are good linkages between the draft community plan and the approved corporate plan, and there is an opportunity to strengthen these linkages further as part of the planned review of the community plan this year. Comprehensive service planning has recently been introduced but efforts have been made to ensure all services produce a service plan to a consistent style and there are good links back to the corporate plan. The key driver for this consistency has been the production of detailed corporate guidance.
95. Service plans set out priorities and areas for improvement and summary leaflets are produced to accompany plans. They do not, however, provide information on all of the activity of the service, and there has been little progress in linking improvement actions to resources. There is also scope to improve service plans by developing more outcome focused indicators and ensuring that financial and risk management processes are better integrated within individual service plans.

96. Progress against targets in the corporate plan is reported annually to the council. Progress on service plans is reported to the appropriate thematic committees. Progress monitoring is provided through the quarterly performance review framework and is discussed in more detail in section two.

Scrutiny

Scrutiny is improving through the provision of better information but, as in many councils, there is still a lot to do. There are inconsistent levels of scrutiny of corporate and service performance and no scrutiny of the council's decision-making.

97. The Audit and Performance Committee is the council's formal mechanism for the scrutiny of the council's performance; there is no mechanism for the scrutiny of decision-making. The committee has seven members - five Labour; one SNP and one Scottish Socialist Party - and is chaired by a Labour member. The council's external auditor has previously recommended that its remit is reduced to facilitate more effective scrutiny. The council has sought to address this through a revised remit but the level of scrutiny remains fairly limited with insufficient challenge on strategic issues, a tendency to focus on detail, and a lack of engagement by the opposition.
98. The council's thematic committees also scrutinise the council's performance. The level of challenge has been limited, but the introduction of the traffic light reporting system is beginning to pay off and there are signs of improvement. It is important that the council builds on this recent momentum.
99. Training on scrutiny for elected members has been limited. High level training was provided in a council-run best value briefing session, and CIPFA course on Audit Committees. This is, however, insufficient and investment is required in providing appropriate training and support to enable elected members to fulfil this important role
100. Informal scrutiny arrangements exist between committee convenors and service directors. The Labour group and committee pre-agenda meetings also provide forums for scrutiny. The council regards these informal arrangements as an important part of its approach, but they are no substitute for formal scrutiny and do not assist the council in demonstrating openness, accountability and transparency.

Accountability and openness

The council does not have a culture of openness within which it can build continuous improvement, and it needs to significantly improve the accountability and openness of its decision-making processes. The council has failed to demonstrate that decisions are made in an open and transparent way.

Decision-making

101. Best Value Statutory Guidance requires elected members to 'ensure that their decision-making processes are open and transparent, and council business managed in a manner which supports accountability, and where the reasoning which underpins the decisions of the council is clearly documented and traceable'(BVSG: Commitment and Leadership). The council's corporate plan makes reference to these responsibilities and gives a commitment to developing structures that show who is involved, why decisions have been made and how they have been arrived at.
102. During the course of our audit, the council made a number of decisions which failed to adhere either to the best value guidance or to the priorities within the council's corporate plan. A number of high profile examples are discussed below.
103. The 2006/07 revenue budget proposals, presented to full council, identified two facilities for closure in the Renton area – the public library and the community education centre. There were no supporting papers to inform this decision, no analysis of alternative options or of whether this particular option represented best value for the council and the community, and a lack of information on whether it had been subject to any consultation with the community or elected members. The local member did not know of the proposal until it had been approved. As a consequence, groups of local people occupied both premises and have raised legal action to halt the closure.
104. In another example, a report on the school improvement fund was prepared for the February 2006 meeting of the council, with the objective of allocating the available capital funds of £7.745 million for the financial year 2006/07. The officer report to council did not set out any analysis of options or provide any supporting information to inform the decision. The council had completed a full CIPFA stock condition survey of its school estate and this is referred to in the report, but the detailed information was omitted. The report asked elected members to suggest how they wished to allocate the available funds. The Labour administration put forward a motion at the meeting, which listed the schools it proposed should receive the funds. This proposal was broadly in line with the findings of CIPFA condition survey but not fully consistent and the rationale for reaching the decision was not transparent.
105. In a third case, the council took the decision to seek a partial transfer of its housing stock. This decision is based on an officer report to the full council which set out two options: partial or full stock transfer. The officer report is supported by a consultants' report which clearly concludes that the full transfer option would provide best value to tenants. A significant factor in arriving at this conclusion is the fact that the partial transfer option puts significant financial pressure on the council to fund the improvements required to meet the Scottish Quality Standards by 2015. The partial transfer option was selected, but there is no clearly documented rationale or logic for how areas to be included within

the partial transfer were subsequently selected or how the council plans to meet the Scottish Quality Standards.

106. There have also been problems with the closure of a community care home, Leven Cottage. The Council's Standing Orders established a Social Justice Committee and Social Justice Sub-Committee with delegated decision-making powers. The Health Improvement and Social Justice Partnership (HISJP) evolved from this sub-committee; it has a membership of five elected members and eight non-council representatives.
107. Formally the Social Justice Sub-Committee continues to exist, although it is now subsumed within the HISJP. This has, however, given rise to some problems with its governance arrangements; for instance, HISJP's decisions are required to be unanimous while the Social Justice Sub-Committee makes decisions by majority. The decision to close Leven Cottage, a council-owned asset, was made by the HISJP, although the partnership includes non-council partners and there was one objection. The council has sought to empower public agencies through this mechanism but the resultant governance issues are complex and confusing and in need of review.
108. There are further examples of decisions taken by the CMT which have not been subject to full council approval, including the decisions to trawl staff for voluntary redundancies and to apply charges for commercial waste uplifts. Our surveys of staff and elected members received more general comments on the lack of openness within the council's decision-making processes.
109. All of the examples set out in the preceding paragraphs took place during the audit. The Act confers an obligation on all councils to demonstrate that decisions are made in an open and transparent way. We believe that the council has failed to demonstrate that it is meeting this obligation and we are concerned that these practices may be more widespread. The lack of openness around some of the council's decision-making processes inevitably leads to ineffective scrutiny arrangements. Better decision-making would allow greater challenge from elected members and help increase accountability.

Reporting to local people

The council is improving its PPR and it has actively sought the views of the community and made changes as a result of its consultation. Like all councils, it has scope to improve on this further.

110. The council's website is a good source of information on policies and strategies and contains key documents such as the community, corporate and local plans. Photos, surgery and contact details for councillors are listed with email addresses and phone numbers are provided for services.
111. The council has consulted the community on its PPR arrangements. A Citizens' Panel survey in 2003 suggested that the public were not in favour of additional money being spent on a glossy publication

but that the council's free newspaper *The West Dunbartonshire News* (published bi-monthly) was a more appropriate mechanism. The newspaper is delivered to every household in West Dunbartonshire and back copies are available on the website.

112. In the past, the council included a variety of separate corporate and departmental reports in the newspaper. More recently, the council's approach has been improved and the newspaper now focuses on thematic performance reports based on the six corporate priorities. These reports are based on performance information held within the performance management framework. The council has attempted to provide more balanced reporting, although in line with other authorities it still has some way to go.
113. Since 2003, each edition of the council's newspaper, which is circulated to every household, has included a page of news covering key community planning events and initiatives. The focus has been on providing general information rather than reporting performance.
114. A summary publication, *Annual Review of Performance*, was introduced in 2004/05. It forms a section of the *Corporate Plan Booklet*. A summary booklet is produced annually in September which presents all the SPI data in tabulated form. For 2004/05 this approach was reviewed and more background or explanatory data now accompanies the SPI data, together with a traffic lights system. This booklet and the *Annual Review of Performance* were circulated to key stakeholders and are available on the website. An annual budget statement is delivered to all council tax payers and the council has prepared a summary leaflet detailing its financial performance.
115. The current Citizens' Panel Survey includes a question on the effectiveness of the new thematic PPR reports in *The West Dunbartonshire News*. The feedback has been timed to inform the council's new statutory PPR commitments (under Section 13) from June 2006.

Part 2: Is the council organised to deliver better services?

The council introduced many new systems and processes to support best value, including a PMF, during 2005. It is important that the council now builds on this momentum, but it does not have a good track record in securing improvement from investment in new systems and arrangements.

The council has a number of areas in which it needs to make improvements including longer term financial planning, more strategic workforce planning and development, asset and risk management, and procurement.

More has to be done by the council to ensure efficient use of all of the resources at its disposal.

Making good use of resources

Finance

The council continues to face significant financial pressures. It has a low level of reserves which it plans to replenish over the next three years. It needs to develop longer term financial planning and more transparent budget setting. The council's income collection and debt recovery arrangements also need to improve.

116. The council has a history of significant financial pressures since reorganisation. This has been compounded by political instability and the council's continued political commitment to maintaining the lowest council tax rise in Scotland.
117. The current financial pressures facing the council include equal pay (£4.64 million), implementing the single status agreement (£3 million), increased employer related pension costs, and growing demand for services. The decision to go for partial rather than full stock transfer adds to the pressure on the council, requiring it to fund the necessary significant investment of £38 million to improve the retained stock by 2015 within affordable rent levels to the quality standards set by the Scottish Executive.
118. The council's reserve balances were significantly depleted in setting the 2006/07 budget, leaving the council with low reserves from which to fund contingencies or unforeseen cost pressures. In 2005/06, the council's Housing Revenue Account (HRA) balance was £2.45 million against a prudential reserve target of £600,000, while general fund balances amount to £1.7 million against a target of £4 million. The council plans to build up its general fund reserves to the prudential level over the next three years by building contingencies into future budgets.

119. Within this context, the council has demonstrated sound budgetary control systems. However it does not have medium to longer term financial plans; its revenue expenditure is planned on an annual basis. Medium and long term financial planning strategies, taking into account significant long term commitments and efficiency targets, would help the council to direct its increasingly scarce resources to the areas of greatest need, but there remain more immediate concerns over the significant financial pressures facing the council and its ability to meet its commitments.
120. Capital planning is carried out on an annual basis, but progress has been made towards longer term planning. This year, for the first time, the HRA capital plan was prepared for a three year period and although future years' figures were less well supported by detailed projects, it marks some progress. The first three year general services capital plan for the period 2007-10 was presented to full council for approval in August 2006.
121. In setting its 2006/07 revenue budget, a number of decisions were made in the absence of full information or option appraisals, including the closure of facilities (Renton library and community education centre). In order to set a balanced budget for the current financial year, the council transferred £1.25 million from the HRA reserve to its general fund. This action is within the council's statutory powers, but the HRA has only recently started to build up its reserve balances.
122. The determination of elected members to deliver the lowest council tax increase in Scotland is understandable given the council's past history of very high increases. However, given the council's challenging operating context, the increasingly challenging financial environment, the low level of both general fund and HRA reserves, and the changing profile of demands for its services, there appears to be very little financial flexibility for the council to invest in the changes it needs to make.
123. The council does not have effective debt recovery arrangements in respect of its staff which is a potential breach of its own Code of Conduct (Section 3- Personal Conduct). The council carried out a data matching exercise in November 2005 and this identified 1,027 employees who owed the council a total of £2.25 million in council tax. Agreements for recovering these arrears have been reached with the majority of those involved but it will take the council some time to recover these outstanding debts.
124. A similar exercise was undertaken when the council recently settled its equal pay claims. This resulted in 297 employees (almost one third of those who received backdated settlements) having to repay around £843,000 of outstanding council tax to the council. Council tax and non-domestic rate collection levels are also poor; these are discussed in more detail in paragraphs 241-244 of this report.

Managing people

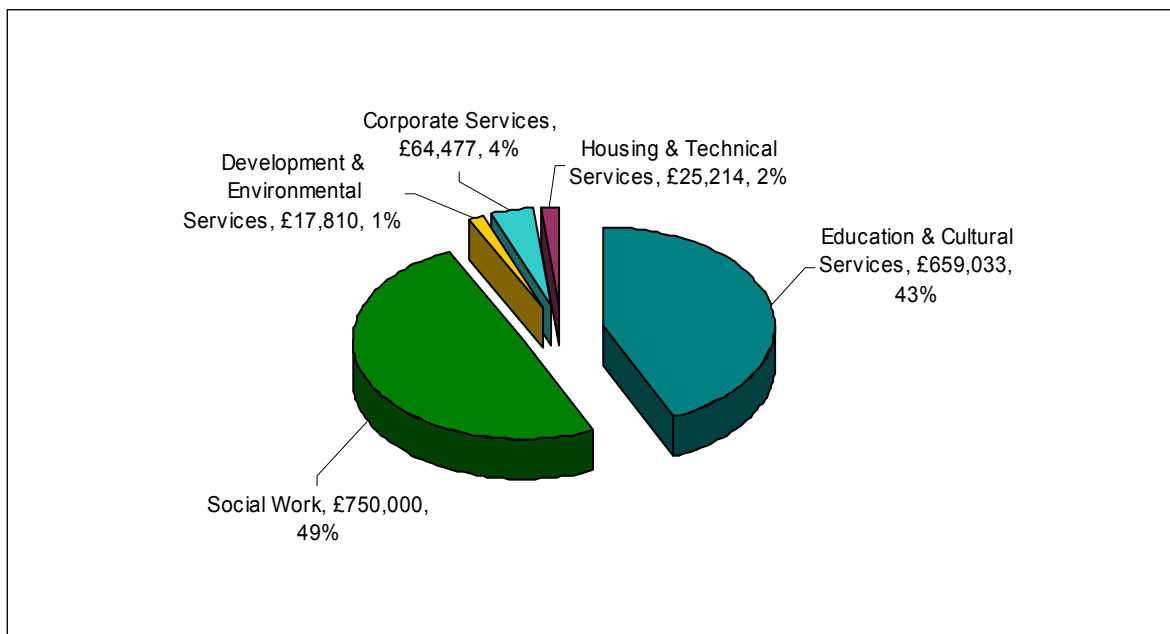
The council does not have a clear understanding of the issues affecting staff, particularly low morale. Without a formal and systematic means of seeking staff feedback, the council cannot respond effectively to these issues. There is also little evidence of a commitment to developing staff, with limited strategic workforce planning. Moreover, current levels of investment in learning and development are failing to build the skills and capacity of the existing workforce. Despite this, the commitment of the staff is evident and, with the appropriate action, provides a solid basis for moving ahead.

125. The council employs 5,938 staff (4,828 fte). This equates to 52.39 staff per thousand population, the fifth highest of all Scottish local authorities, compared to the Scottish average of 48.02. The council does not have comprehensive corporate or service based workforce planning arrangements (other than in social work) to determine whether staff are deployed effectively to meet the priorities of the council or the areas of greatest need. This problem is compounded by the lack of robust management information systems and the lack of an overall Human Resources strategy for the council.
126. The council's personnel function is largely devolved to departments, with a small central team covering corporate issues. This does not promote a strategic and consistent approach to HR issues and may have contributed to the slow roll-out of many corporate initiatives such as Personal Development Planning (PDP). Single status and equal pay settlements have dominated the work of the corporate personnel team over the last 18 months.
127. Single Status is expected to be settled by 2006 and will affect around half the council's workforce, at an estimated cost to the council of £3 million. There have been 1,190 equal pay claims. Over 90 per cent of accepted claims had been settled by the end of March 2006, totalling £5.42 million; these were met from the 2005/06 revenue budget. Of the remaining claims, it is anticipated that around 100 could result in industrial tribunals throughout 2006. These are likely to result in a call on the council's reserves.
128. The council's financial pressures have largely driven its approach to staff management, such as the recent voluntary severance trawl. In undertaking this exercise, no corporate guidance or selection criteria were established and directors had full discretion in reaching their final decision. This cannot have provided a consistent basis for decisions.
129. Management information is limited, making the collation of any HR statistics a time-consuming and laborious task. There is no HR management information system in place; a bid has been submitted regularly to CMT for the purchase of such a system, but it has been rejected on the basis of costs and other corporate priorities. This suggests that the council has placed little importance on the need to invest in how it to manages its workforce.

130. There is no formal corporate workforce development plan, although this is highlighted as an improvement action within the council's best value submission and the council aims to have arrangements in place by the end of this year. Initial work has started but the lack of reliable management information is a serious impediment.
131. PDP was introduced in 2004. To date, it has had limited application within service departments and has been confined mostly to managerial grades. It is seen as unwieldy and time-consuming by managers and staff, and does not link effectively to training and development plans.
132. The council's training budget is approximately £1.5 million. Departments hold their own training budgets which are used for continuous professional development and specific departmental training needs. [Exhibit 9](#) highlights the percentage split across the council of the departmental training and development budgets.

Exhibit 9

Departmental training and development budget



Source: West Dunbartonshire Council

133. There is no leadership or management development programme within the council. Between 1999 and December 2004, a limited programme (management development 1 & 2) was run for front-line managers and supervisors. A total of 489 staff attended one-day courses over the five year period. There was no evaluation of either the course or its impact, but feedback was obtained from those involved and used to inform future proposals which are described below.
134. A report was submitted to CMT in February 2006, proposing the establishment of a Management Development Programme (MDP) which would be delivered in conjunction with Clydebank College.

The CMT saw merit in the proposal to develop such a framework but felt costs were prohibitive. The Employee Development Team was asked to reconsider an approach based on existing resources.

135. A pilot MDP has been running in conjunction with Anniesland College. This involves ten participants and is due to finish shortly, after which an evaluation will be carried out and a further proposal submitted to CMT.

136. Staff turnover is low but absence management remains a cause for concern. Historically, absence rates have been high but the council has made continued efforts to address these issues and the trend now shows improvement. The 2005/06 figures show that the council is making progress towards its long-term corporate target for absence for 2007/08 of five per cent.

	Absence level for 2004/05	Absence Level for 2005/06	Scottish Average for 2004/05
Local Government Employees	6.5%	6%	5.5%
Craft	6.6%	5.2%	5.9%
Teachers	3.9%	3.9%	3.7%

137. Measures to address absence management have included training for line managers in dealing with absence, and the appointment of an occupational therapist who deals with management referrals as well as carrying out pre-appointment health checks. A pilot incentive scheme aimed at reducing absence levels has recently been introduced in social work services. Each employee with 100 per cent attendance for the year to 30 November 2006 will receive an extra £50. The bonus payment has been based on the cost of covering the absence. The pilot will be evaluated in December 2006.

138. The council communicates with its staff in a number of ways. It has an internal newsletter *West Life* which is circulated every three months and service departments produce their own newsletters. The Intranet is also used, although the information available is limited and focuses on issues such as job vacancies and key policy initiatives. Team briefings are well established and the senior managers' network is used as a forum from which information can be cascaded. The emphasis is on providing forums for discussion and sharing experiences rather than reinforcing the council's vision and priorities.

139. Despite these communication methods, findings from interviews, the staff survey and focus group indicate that inadequate or poor communication was a cause for concern. The effectiveness of communication appears to be very much dependant on individual line managers. An added concern

was that, at times, important decisions and policies reached the press before being communicated formally to staff.

Managing assets

The council is developing its approach to asset management but its work is relatively recent and at a very early stage.

140. The council holds physical assets valued at approximately £465 million and has recently approved a corporate asset management strategy to enable it to manage these assets strategically. The council has acknowledged the need to develop a more strategic approach to the management of its assets and has established an Asset Management Group. The council has also identified a designated elected member to oversee the development of the council's approach to asset management and has purchased a computerised asset management system.
141. The plan is a largely descriptive document describing the approach to asset management. It does not include baseline information on asset condition, levels of usage/occupancy rates, or maintenance and energy costs. This information is still being collected by the council and it plans to have completed this exercise by March 2007.
142. Audit Scotland's 2004/05 *Overview of Local Authority Audits 2005* highlighted that better use of options appraisal and improved performance information will help councils to make better decisions about their buildings. West Dunbartonshire has yet to achieve this position and there are a number of examples where the council has taken decisions without the benefit of a more strategic approach. These include the sale of Levenford House, the closure of Renton Library and Community Education Centre, and the rationale for the selection of areas to be included in the council's partial housing stock transfer.
143. A further challenge for the council is the poor condition of its residential care homes. The council has yet to quantify the level of investment which is required to bring them up to acceptable standards and it has not earmarked any specific investment in its financial plans. The council is beginning to look at alternative models of care but progress has been slow.

Managing risk

Although the council has made some progress in developing corporate and departmental risk registers, risk is not systematically considered in the council's strategic decision-making or planning processes and a risk management culture is not yet evident across the council.

144. The council's first risk management strategy was introduced in 2003 with a revised version approved in September 2004. It has also recently appointed a designated risk officer and established a risk management group. Following this, a corporate risk register and departmental risk registers were

prepared. Progress reports have been submitted to the Audit and Performance Review Committee but these have not always been comprehensive. For instance the first progress report presented in June 2005 did not set out progress in respect of 14 of the 34 planned actions. Furthermore, progress in respect of the implementation of departmental risk registers has never been reported to the Audit and Performance Review Committee.

145. As a consequence, risk management is not yet embedded within the council's management or decision-making processes and risk is not systematically considered by members as part of their strategic decision-making. For instance there was no analysis of the risks connected with the recent council restructuring, equal pay and single status negotiations, or the council's new financial ledger system. The council also needs to consider how it will address joint risk management and governance arrangements with its community planning partners.
146. The council needs to ensure all officers and members fully understand and are committed to managing risks. It is important that the council's new risk strategy is formally approved by all members and not only those of the Audit and Performance Review Committee. Proper project planning is also needed for the implementation of the key tasks identified in the strategy.
147. The council acknowledges in its submission that it has much work to do in this area and it has recently appointed a section head of risk management.

Managing information and communication technology

The council has ambitious plans for achieving higher service standards, more responsive customer care, and more efficient resource utilisation through ICT. It has been constrained by its financial position and this has been a barrier to a number of corporate improvements. It therefore needs to consider the affordability of these ambitious plans.

148. Information services is ambitious and forward looking, and has won numerous quality awards for its work and management arrangements, such as 'Investors in People (IiP)' and 'Chartermark'. A priority for the service is building on its experience and strong senior leadership to champion corporate initiatives in electronic service delivery whilst continuing to provide a core support service. It has made good use of an online payments facility through the website.
149. The ICT and Business Development Strategy provides the council's framework for the adoption and application of technology to its operations. It also sets out the role that ICT plays in delivering the council's aims and objectives and provides the focus for future investment, supporting information exchange and partnership working.
150. The corporate '*Council Connect*' strategy aims to 'respond to citizen demand, changing the face of public service in West Dunbartonshire by offering an increased choice of place, time and method for receiving services. This may be by:

- Phone or on the internet to a single access centre for all public agencies.
- Services available on the Internet.
- Citizen or customer access to technology in public buildings.
- Mobile technology brought to the citizen.
- Kiosks providing information and services wherever people gather.
- Mobile communication devices such as interactive mobile phones.
- Digital interactive TV in the home.'

Source: Council Connect: West Dunbartonshire Council

151. The council is making progress towards the electronic service delivery targets but its still has some way to go, and securing appropriate resources is critical to the achievement of its plans in the future. The council is looking for opportunities to secure the necessary funds and has made previous bids to the Scottish Executive for Modernising Government funds, although the majority of the funding was for the development of smartcards. In order to deliver against its targets and ambitious plans the council should systematically consider a broad range of alternative funding options.

Procuring goods and services

The council has yet to demonstrate any significant efficiencies as a consequence of its procurement arrangements. Whilst it is beginning to establish a corporate procurement framework with a strategy and a dedicated team, it is at a very early stage of development.

152. The council introduced a corporate procurement strategy in October 2005 with a focus on developing the infrastructure for procurement. A corporate procurement unit has been recently established within the corporate services department. It will have a complement of six officers and aims to provide a more strategic approach to procurement. Until the unit begins to establish itself fully, procurement continues to be undertaken at departmental level across the council.

153. The council is involved in two efficient government consortia, one led by Glasgow City Council to develop e-procurement arrangements for West of Scotland councils and the other led by Renfrewshire Council to set up a collaborative network of local authority buyers. Staff are, however, encouraged to purchase locally. This may cut across the council's new corporate arrangements and could lead to inefficiencies in purchasing.

154. The current tendering threshold is £60,000. Although similar levels apply in other councils, more competitive tendering below this threshold could result in significant savings. The council does not have a formal standing list of approved suppliers and the £60,000 threshold is not always adhered to; for instance a contract was awarded to two local newspapers (Clydebank Post and Dumbarton Reporter) for council advertising in March 2005. The anticipated annual expenditure is around

£200,000 but the item was not subject to competitive tender. A third local newspaper, Lennox Herald, was excluded from the contract.

155. The CMT recently discussed and agreed procurement of a Customer Relationship Management system, the cost of which was estimated to be below the tendering threshold, without robust cost information or options.

156. The council has delegated authority to the contracts manager within the department of environmental services (DES) to modify standard charges agreed by council for commercial waste management. In certain circumstances the manager can negotiate direct with contractors and agree revised rates which are lower than those rates agreed through the full council, for instance in respect of collection of commercial waste. This is a potential area of weakness in control and could lead to allegations of impropriety.

Competitiveness and continuous improvement

There is very little evidence that the council has systematically tested the competitiveness of its services. With the exception of some recent activity, the council is unable to demonstrate the competitiveness of its services and its best value review programme has had limited impact.

Continuous improvement is promoted through the use of charter mark awards and the council has had much success in this area. It needs to build on this for the future through developing a shared understanding and greater consistency across the council as a whole.

157. The council has three Significant Trading Organisation's (STOs): leisure, housing property maintenance and catering. In addition, a number of non-statutory trading accounts are maintained for services previously subject to CCT. Some of these have not been subject to market testing for some time ([Exhibit 10](#)).

Exhibit 10

Contracts subject to competition

Contract	Provider	Date last subject to competition
Vehicle maintenance	WDC	1993 (SRC)
Catering	WDC	1990 (SRC)
Building cleaning	WDC	1993/94 (SRC/Dumbarton)
Grounds maintenance	WDC	1994 (Dumbarton)
Housing repairs	WDC	1997
Refuse collection & street sweeping	WDC	1994 (Dumbarton)
Leisure	WDC	1997
Street lighting	Lightways/WDC	2004
Roads maintenance	WDC/private contractors	2006, 3 projects to open tender

Source: Audit Scotland

158. The council is currently market testing the housing maintenance function, which has a tender value of £15 million, as a result of unfavourable benchmarking evidence highlighted in a best value review of the service. The results of the exercise will be available later this year.
159. Some services that have not been subject to market testing have been through best value service reviews, including fleet maintenance, catering, building cleaning, refuse collection, street cleaning and leisure. The council's approach to best value reviews has not acted as a catalyst for continuous improvement and the impact of the programme has been limited. Many of the reviews have not been reported to committee or produced improvement action plans. Where action plans have been completed, these were not systematically monitored. The average time taken to complete and report on reviews is just over two years. The reviews were previously reported only to the best value strategy group but they have recently started to be reported to committees.
160. There are no clear criteria for selecting services for review, and there have been only four cross cutting reviews: internal communication and consultation, operational buildings, disability access and community safety. Some significant areas of service provision, such as homecare, have never been subject to a best value service review. Social work had until recently completed only two reviews in four years, whilst development and environmental services had completed three reviews in five years.
161. There has been limited use of option appraisal in best value reviews. There is corporate guidance on using a weighted score template, but this is not routinely used by services. Some services have used the corporate guidance; in leisure services, for example, an options appraisal was carried out to determine whether to maintain the service in house or to establish a Leisure Trust. The analysis determined that an in house service was the preferred option.
162. The council plans to continue to use a form of self assessment as a key mechanism to secure continuous improvement in the future. It also requires each service to aim to achieve liP or charter mark status. The council has had a good deal of success, receiving charter marks for roads and leisure, property management, internal transport, waste services, grounds maintenance, homelessness, information services and a number of schools. Information services and personnel have achieved liP status. The council needs to build on this to ensure that the council as a whole benefits.

Efficient Government

The council is starting to make progress on the efficient government agenda. There is scope for elected members to be more involved in the council's activities in this area and it needs to ensure it has robust project management to manage its challenging programme of projects.

163. Delivering the Scottish Executive's efficient government agenda is demanding. The council has identified target savings to be achieved between 2005 and 2008: procurement £482,000; streamlining

bureaucracy £3.64 million; managing absence £217,000 and £12.325 million from asset management.

164. Limited information is available about the council's progress in delivering efficiencies to date. There is a lack of project and financial information for each of the efficiency projects currently underway. The council has not reviewed the efficient government work streams or established baseline information on its current costs, activity levels and processes. Systems to track efficiency improvements are being developed. The council still has a lot to do before it will see significant efficiencies from its investment.
165. The council has commissioned consultants to review its approach to efficient government. A project plan for the council's efficiency projects was due to be produced in June 2006. This will be critical in building corporate ownership of efficient government.
166. To minimise the risk of projects failing the council need to ensure that project management skills are developed and used, and that an over arching programme is in place to ensure projects complement one another.
167. The council is currently the lead authority in developing a shared service centre for the collection and administration of non domestic rates. This includes partner councils from the Clyde Valley Forum. Other consortium projects involving the council as a partner include introduction of a national procurement hub and shared training and employee development services. The council is also introducing document image processing (dip) and workflow into some service areas – council tax, finance recovery, housing and council tax benefits and corporate personnel.
168. The best value strategy group will manage and monitor the strategy and it is currently developing its programme management arrangements. Members are not directly involved in this group and an approach for reporting efficient government issues to members has yet to be established

Performance management

The PMF has recently been introduced and the council's arrangements have potential. However they are not yet embedded and have yet to realise the benefit of this investment in significant improvement in council service performance.

There is scope to improve on some aspects of the council's PMF, particularly performance reporting and the use of traffic light reports. Currently the reports are difficult to interpret and potentially misleading. They do not provide a robust base for scrutinising performance or informing priority setting and resource allocation.

169. The council is developing a PMF for performance management and reporting in the future. It has applied new QPRs for the first time this year. These culminate in reports to relevant committees on the council's performance against SPIs and improvement actions.

170. The performance reports presented to elected members use a two stage traffic light indicator to compare the council's absolute performance with other councils and to illustrate whether the council's performance has improved, maintained or deteriorated since the last year. The council uses different comparator groupings to measure performance across the SPIs. This is confusing and can give a false impression of how well services are performing; in some instances the comparator authorities used are among the poorest performing in Scotland. The council needs to be more ambitious and use comparators that will provide a greater challenge and support continuous improvement in service delivery. Overall, these reports are difficult to interpret and are potentially misleading for elected members
171. Each service department is required to hold a QPR meeting, attended by all management grades through to director. The agenda typically includes a report on progress against SPIs, progress towards relevant corporate and departmental objectives, updates on best value service reviews, and other key information such as sickness absence statistics. These review meetings aim to provide a basis for effective internal scrutiny of departmental performance between officers.
172. Elected members also receive regular performance reports at each of the council's thematic committees. The reports consist of narrative commentary on the council's progress against corporate priorities, as well as traffic light reports which set out how well the council is performing against its measurable indicators, mainly using SPIs at present. These reports have the potential to provide a better base from which elected members can scrutinise performance although the application of the traffic lighting system requires improvement. It is clear, however that elected members are starting to engage with scrutiny at committees, and this can be built on for the future.
173. The council undertakes a review of its corporate plan and the last such review was undertaken by the Audit and Performance Review Committee during May 2004. The new 2005-09 corporate plan was presented to a full meeting of the council in June 2005 and included a performance report on progress against the previous plan. This report was largely narrative and was not sufficiently detailed to provide a basis for elected members to scrutinise performance effectively. The scrutiny element of the corporate plan was remitted to the Audit and Performance Review Committee.
174. Overall corporate performance is measured by the council through a series of Corporate Health Indicators ([Exhibit 11](#)). These were introduced in 2003 and were reported on an annual basis.

Exhibit 11

Corporate health indicators

Our customers

- Percentage of citizens satisfied or very satisfied with the overall service provided by the council.
- Response rates as a percentage for Citizen Panel questionnaires as percentage of all panel members.
- The number of complaints and the percentage found to be justified or part justified.
- Number of people who raise questions at open forum of monthly committee meetings.

How we work

- Number of days lost through sickness absence as a percentage of total working days available for all employees.
- Number and percentage of the highest paid two per cent and five per cent of earners among employees (excluding teachers) that are women.
- Percentage of SPI's where the council has improved, worsened or stayed the same.

Continuous improvement

- Number of external accreditations achieved or maintained.
- Number of personal development plans established.
- Number of improvement actions arising from a formal assessment, review or audit of a service.

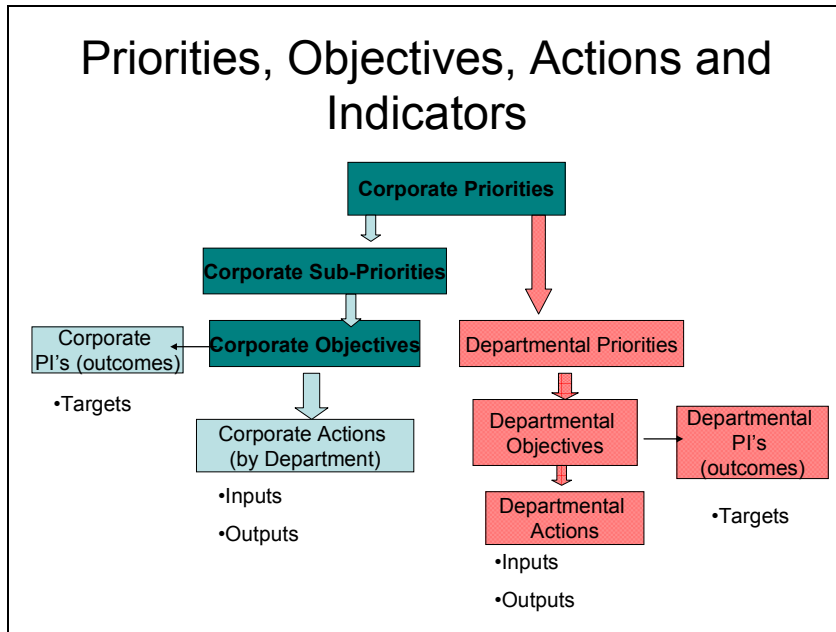
Source: Corporate Plan 2005-2009

175. Since completion of the audit fieldwork the council have continued to develop their approach to measuring performance of the council. They have built on the work established by the Corporate Health Indicators and replaced them with a series of key performance Indicators (KPI's).

176. The council has developed an Action Planning Database (APD) to monitor its achievements against its corporate priorities. In order to make the linkages between its corporate priorities and individual service priorities more explicit, its planned actions are cross referenced to the appropriate departmental priorities and corporate objectives ([Exhibit 12](#)) The APD has the potential to assist with progress reporting and overall performance management, providing it is used in a consistent manner and contains all relevant corporate improvement actions.

Exhibit 12

Action planning database



Source: WDC Best Value submission

Customer focus and responsiveness

The council has recently invested in improving its approach to customer care but it still has a lot to do to fully embed its approach and realise the benefits in improved satisfaction and service delivery.

177. 'Putting customers first' is one of the council's seven values set out in its corporate plan. Until now the council's approach to customer care has largely focused on improving its telephone contact with service users and it recognises that, despite its recent improvement, it still has a lot of work to do.
178. The council's arrangements for customer service involve the use of a range of phone numbers, either to individual departments, teams or offices, or to a switchboard, and several offices carry out different functions across a range of activities and geographical area. This is confusing for service users; for instance, there are two different numbers to report housing repairs depending on where residents live, and the council's A-Z of contact details for council services runs to four pages.
179. Following the Scottish Executive's publication of its *Customer First* strategic framework, critical results from a Citizens Panel questionnaire in February 2005, and a poor result in a national mystery shopping exercise, the council has started to develop its Customer First strategy, launched in September 2005. This strategy seeks to integrate a number of themes such as ESD, Modernising Government, Customer Relationship Management, Smartcards, Customer Service Standards and Training.

180. Some elements of the strategy are in place, namely the complaints system, the Web-forum and the Open Forum. Others are partially in place such as the roll-out of Customer Service Standards, further transactional facilities on the website, and the implementation of a Customer Relationship Management system. Some remain at a very early stage of development, for instance one-stop shops and a contact centre. Implementation of the Customer First strategy is managed by the Customer First Steering Group which is a Project Board led by the chief executive with senior representatives from each department.
181. The council agreed a revised set of Customer Service Standards in June 2005. These cover telephone calls, letters and emails, meeting the public, accessibility, complaints, and the training of staff and monitoring of performance. A leaflet for residents sets out what can be expected from the council and its employees. The standards include some targets which are being monitored by the Policy Unit with the first monitoring report due June 2006.
182. The development of one-stop shops is a key objective of the Customer First strategy, but progress has been slow and there is little evidence that the process has been strongly customer-focused or informed by consultation with prospective users. The decision to locate the pilot in Rosebery rather than elsewhere seems to have been based on cost. The council has set itself a target of operating a one-stop shop by March 2007.
183. The Web-forum and the Open Forum provide innovative opportunities for the residents to contact the council with queries. The council's website is well set out, easy to navigate and to read, but its transactional services are limited. Application forms for services such as free school meals or planning and building warrants can be downloaded, but they must be returned to the council by post. At present the on-line payment facility can be used to pay council tax, non-domestic rates, debtors invoices, community charge and council house rents. There are plans to extend the system in the future to include a wider range of services.
184. The council has been operating a corporate complaints system since 1999 and this was revised in 2004. Each department has a departmental complaints coordinator. Complaints are monitored and reported at six-monthly intervals to the Audit and Performance Review Committee. Reports are comprehensive and include details of performance in the processing of complaints against targets. Complaints are analysed by service/department, by outcome, by type and by action taken. The total number of complaints received between April 2005 and March 2006 was 168. The percentage of justified and part justified complaints was 62 per cent.
185. Customer consultation is carried out in service areas; for example leisure services make use of various methods including written and verbal customer comments, mystery shoppers and customer surveys. This is complemented by customer forums which have been established at each of the main leisure centres, providing users with the opportunity to discuss facility and service improvements.

Sustainable development

The council has made limited progress in developing its approach to sustainable development. It cannot monitor and evaluate the impact of its operations in respect of social, economic and environmental sustainability.

186. The corporate plan refers to sustainability as one of its core values but the council acknowledges that it has much to do to develop a corporate approach to sustainable development. The council has recently put in place the basic foundations from which to embed its commitment to deliver sustainable development. A draft Sustainable Development Strategy has been prepared. This will provide the corporate focus and commitment needed to mainstream across all service areas. The council are planning to develop performance measures and Quality of Life indicators to measure and assess the council's impact with regard to sustainable development.

187. The council has tended to focus on environmental sustainability issues and has made some progress in implementing a range of initiatives in this area. These include participating in an Eco-schools scheme; producing a Strategic Waste Implementation Plan; converting some council vehicles to LPG; appointing an energy efficiency officer and introducing energy efficiency measures for its housing stock. The council has also consulted on its Local Plan and associated Strategic Environmental Assessment.

Equal opportunities

The council has acknowledged equal opportunities as an area for improvement. It has lacked impetus to date but it is now starting to put arrangements in place.

188. The council is committed, in its corporate plan, to promoting a culture which recognises and supports diversity and encourages equal opportunities both as a service provider and as an employer.

189. The council published its Equality and Diversity Strategy 2005-2009 in October 2005. This strategy aims to provide a framework for the council's approach to equalities. Within this overarching strategy, the council plans to develop separate policies for each of the six equality sectors identified by the council: race; disability; gender; sexual orientation; religion and belief; and age.

190. The Race Equality Scheme (RES) has been in place since 2002 and, following standard recommendation for all councils from the Commission for Racial Equality (CRE), a revised version was produced and approved in February 2006.

191. A Disability Equality Strategy and action plan 2005-2007 were adopted in August 2005. The strategy and action plan are informed by a best value review of Disability Access completed in early 2004 and will be revised in 2006 to take account of guidance from the Disability Rights Commission. This revised strategy and action plan will form the council's Disability Equality Scheme.

192. The corporate SPIs indicate that the council performs well for the equal opportunities measures:

- 42.3 per cent of the highest paid five per cent of earners among council employees are women (rank 3).
- 34.2 per cent of the highest paid two per cent of earners among council employees are women (rank 6).

193. Currently 20.8 per cent of the council's public service buildings are suitable and accessible, placing it 23 out of 32 Scottish councils. The council is committed to producing an access improvement strategy by April 2006 and to allocate funding for a programme of improvements.

194. Individual services have been responsible for developing their own approaches to equal opportunities, but over the last two years there has been a move towards a more corporate approach. For example, training in equalities was previously delivered within services but is now mainstreamed within corporate induction and PDP processes to provide a greater consistency in the council's approach.

195. Individual services have developed a mix of initiatives including:

- Review and improvement of polling stations to maximise accessibility and equality issues in polling staff training (corporate services).
- Work with the Chinese community using an interpreter as part of the 'Cooksafe' campaign for restaurants and food businesses (development and environmental services).
- 'Walking audits' carried out by roads engineers along with disabled people to plan improved pedestrian access (housing and technical services).
- 'Women only' swimming sessions and plans for specific sessions for Asian women (Housing and Technical Services).

196. The council acknowledges that systems for monitoring the ethnic origin of service users and employees are not robust enough and that it is not meeting its duties under the RES. Guidance has been approved and it is committed to implementing more robust systems to collect the required information.

197. The council has shown commitment to good practice in employing disabled people by becoming a 'double tick' employer. This disability symbol is awarded by Job Centre Plus to organisations who agree to take action on five commitments regarding the employment, retention, training and career development of disabled people.

Part 3: How are services performing?

The trend in the council's SPIs shows a slight improvement between 2002/03 and 2004/05, but overall performance is middling and more than a quarter of the indicators are in the lowest quartile across Scotland. The methodology used by the council for reporting service performance can result in a misleading and inaccurate picture of the council's performance.

The available evidence about services suggests a mixed performance. HMIE has recognised that education has shown good improvement. Housing services continue to perform poorly and is subject to a review by Communities Scotland of the action plan associated with a previous Inspection report

Statutory performance indicators

The trend in the council's SPIs shows a slight improvement, but overall performance is middling and more than a quarter of the council's indicators are in the lowest quartile across Scotland.

198. Audit Scotland publishes a set of 79 SPIs for each Scottish local authority. While these do not give a comprehensive picture of council activity, they give an indication of comparative performance across a range of services. The council uses the SPIs as the basis for reporting its performance to its elected members.
199. In 2004/05 West Dunbartonshire was ranked in the upper quartile (eight or above out of 32 councils) on 11 measures and was in the lower quartile (25 or below) on 22, with 44 measures in the middle quartiles. The council's performance improved by at least five per cent on 17 measures between 2002/03 and 2004/05, while 15 measures worsened by at least five per cent. This represents a ratio of improvement to decline of 1.1, placing the council 17 out of 32 councils, and just below the Scottish average figure of 1.2.

Exhibit 13**Statutory performance indicators: Performance change between 2002/03 and 2004/05**

	Performance change between 2002/03 and 2004/05					
	Measures that worsened by ...			Measures that improved by ...		
	> 15%	10 – 14%	5 – 9%	5 – 9%	10 – 14%	>15%
West Dunbartonshire	8	3	4	5	2	10
Scotland average	6	2	4	3	2	9

Source: Audit Scotland Statutory Performance Indicators 2003/04

200. The council ranked in the top three councils for three indicators in 2004/05:

- Food hygiene - the percentage of premises with a minimum inspection frequency of 12 months or less that were inspected on time (rank 1).
- Home care – the total hours per 1,000 population aged 65+ (rank 2).
- Equal opportunities policy – percentage of highest paid five per cent of earners among council employees that are women (rank 3).

201. Five indicators are both in the lowest quartile and have deteriorated by at least five per cent since 2002/03:

- Housing tenancy changes – the percentage of rent loss due to voids (rank 27).
- The percentage of council house sales completed within 26 weeks (rank 27).
- The percentage of business advice requests dealt with within 14 days of receipt (rank 29).
- The percentage of street light repairs completed within seven days (rank 26).
- The percentage of special uplifts of bulky domestic refuse completed within five days (rank 27).

202. Data for the two SPIs relating to homelessness and emergency repairs were classified as unreliable for both 2003/04 and 2004/05.

Exhibit 14

Statutory performance indicators 2004/05

West Dunbartonshire Council	Upper quartile	Middle quartiles	Lower quartile
Adult Social Work	3	10	2
Protective services	4	2	2
Development services	0	6	0
Cultural and community services	0	8	1
Waste Management	0	4	2
Education & Children's Services	0	5	4
Benefits Administration	2	1	0
Corporate management	2	5	4
Housing	0	0	5
Roads and lighting	0	3	2
Totals	11	44	22

Source: Audit Scotland: WDC

203. Overall, West Dunbartonshire is a middling performing council but it performs poorly in a number of significant service areas such as environmental and housing services.

Council services

204. The recent reorganisation of council services is resulting in the amalgamation of housing and technical services and development and environmental services. For the purposes of this report these services have been dealt with as separate departments.

205. We used a risk based approach to select the service departments for more focused audit activity. This involved identifying services that have a direct impact on the public, particularly the most vulnerable citizens; those that are performing particularly well or poorly; and those that are high spenders. We provide a general overview of council services based on the available performance information, and social work and housing were both subject to a more detailed review as part of our work. We also identified a further area of work: the delivery of the regeneration agenda with a number of big projects underway, including Clydebank Rebuilt.

206. Whilst the council performs well in the corporate performance measures for equal opportunities, it ranks among the eight worst performing councils for the following measures:

- The percentage of working days lost through sickness absence for chief officers and local government employees (rank 29).
- The number of litigation claims per 10,000 population (rank 30).
- The percentage of council tax income for the year that was collected in the year (rank 30).
- The percentage of income due from non-domestic rates that was received by the end of the year (rank 32).

Education and cultural services

Education and cultural services has established effective systems for continuous improvement and attainment levels are improving on an annual basis. The most recent HMIE report noted that the department has made very good progress.

A successful Public Private Partnership (PPP) bid will help address the significant challenges the council face in managing its excess school capacity.

207. The education and cultural services department delivers a wide range of services to learners, including: school education; educational psychology services; outdoor education; additional support for learning; and Community Learning and Development (CLD). It also delivers a range of cultural services such as libraries and a museum service. The department spends £84 million on education and £12 million on cultural activities. The audit concentrated on the education provision of the department.

208. Attainment figures show an improving trend across all sectors. The 2004/05 national attainment figures indicate that the council is above the Scottish average for S4 performance, but is below average for years S5 and S6. Among its comparator authorities, West Dunbartonshire Council is performing just below average. [Exhibit 15](#) shows the improvement in attainment between 2002/03 and 2004/05 compared with the national average.

Exhibit 15

Attainment figures

Attainment	WDC 2002/03	Scottish Average	WDC 2003/04	Scottish Average	WDC 2004/05	Scottish Average
5 -14 Reading	59.4	60.7	63.2	64.5	Not reported	
5 -14 Writing	49.1	51.4	53	52.1	Not reported	
5 - 14 Mathematics	41.9	54.6	54.9	59.5	Not reported	
SQA performance S4 5+ awards (level 3+)	88	91	91	91	93	90
SQA performance S5 5+ awards (level5+)	40	45	39	45	41	45
SQA performance S6 5+ awards	15	20	14	20	15	19

Source: Scottish Executive

209. The council has 34 primary schools, seven secondary schools and two special schools. It also provides pre-school education in 27 early education and childcare centres, and works in partnership with a further 12 voluntary and private childcare centres. Under-occupancy of schools is a challenge for the council. The SPI figures show that 44.1 per cent of primary schools have occupancy rates of below 60 per cent, whilst 14.3 per cent of secondary schools are below 60 per cent.

210. The regeneration of the school estate is a major priority for the council. A successful bid to the PPP programme secured £100 million for the first phase of regeneration. The priority for this first phase of development is to improve the secondary school estate. This will result in four new secondary schools being built over the next five years, and provide additional sporting and social facilities and two co-located Primary and Early Education and Childcare centres.

211. Her Majesty's Inspection of Education (HMIE) carried out an inspection of the education function of the council during March 2003. Overall the inspection noted that the department had made considerable strides since reorganisation. The key strengths included a clearly communicated vision, values and aims; the effectiveness and commitment of the director, heads of service and central support staff; an improvement in attainment levels in primary schools; effective joint working arrangements; the development of consultation and communication strategies; very good provision for early education and childcare; impact of self evaluation; arrangements to support looked after and accommodated children. [Exhibit 16](#) sets out the main action points arising from the inspection.

Exhibit 16

HMIE main points for action

Elected members should take action as a matter of urgency to address over-capacity in schools and to improve the quality of building stock.

Improve attainment at key stages of secondary school.

Development of quality improvement team.

Further steps to improve range and quality of staff development.

Realise the potential impact of ICT provision on pupils' learning and achievement.

Source: Her Majesty's Inspectorate of Education

212. HMIE undertook a follow up report in 2005. Of the five main points for action from 2003, three were considered to have made 'very good' progress and two 'good' progress. Overall the service was described as having made very good progress.

213. West Dunbartonshire Council has successfully raised the levels of literacy across all age groups with an Early Intervention Project established in 1997 ([Exhibit 17](#)).

Exhibit 17

Good Practice - Early Intervention Project

The West Dunbartonshire Early Intervention Initiative has been successful in raising levels of literacy since it began in 1997. The Initiative involved a multi-strand intervention programme involving all pupils in pre-school year and Primaries 1 and 2, providing group and individualised support to pupils. The scheme involved children from across the ability range at initial assessment and both high and low achievers showed improved attainment at the end of the programme. Pupils achieved an average improvement equivalent to three and a half years within 12 months on the programme.

A key factor in the success of the initiative was the emphasis given to the structure of political and managerial support. Full support and encouragement were provided by the council's education committee, a project steering group supported the education directorate solving any difficulties as these were encountered.

With the initial research funding for this project ending, West Dunbartonshire Council decided to continue to fund the programme. This involved continued provision of a head teacher of the project, the early intervention team and home-school support teachers.

Source: West Dunbartonshire Council

214. Community learning and development in the South Clydebank area was subject to an inspection in 2004. Overall it was rated as providing a good service, with room for further improvement. Key

strengths were identified as: very good quality of learning experiences for participants; effective promotion of local participation in community affairs; effective deployment of youth work; commitment and enthusiasm of staff; effectiveness of partnership working and high quality of leadership.

Recommendations made included developing more coordinated and systematic approaches as well as carrying out an audit of specific facilities. The follow up inspection undertaken in 2006 noted that very good progress had been made on the majority of action points with the others showing progress.

Social work services

Overall the majority of the council's measurable SPI performance is in the third quartile and there is considerable scope to improve performance. There is also a significant amount of work to do to develop its strategic vision and retain professional and qualified staff.

The social work service has a shortage of professionally qualified staff and it demonstrates some creativity in its attempts to minimise the impact of this. The service has a number of examples of good joint working arrangements.

The council has received positive feedback from the Care Commission on its five residential units for children and young people. Joint working arrangements are well established, and the production of the Integrated Children's Services Plan 2005 – 2008 (ICSP) aims to improve those areas where the council performs poorly.

215. The social work department consists of community care services; children's services; criminal justice services; welfare rights services and community work. In the context of the socio-economic and demographic composition of the council area, social work services are considered a priority service for the authority.

216. The majority of the service's indicators are in the third quartile. Overall in 2004/05 12 SPIs improved and nine declined.

217. The department's gross budget has increased from £23 million in 1996 to £68 million in 2005/06. This increase has been attributed by the council to the department's success accessing external funding streams such as Supporting People. One of the main challenges facing social work is that many of these funding sources are coming to an end; the service realises that difficult decisions in some areas may be required but it is unclear how it aims to address this problem.

218. The department faces a number of significant challenges including increasing levels of demand and expectations of services, overall declining population, and decreasing levels of external funding. Operational priorities are well understood within the service, but there is little evidence of a long-term strategic vision which takes account of and plans for these challenges, as the service has tended to focus on meeting immediate service demands. The imminent departmental restructuring aims to address staff retention problems by providing a better career structure. The Workforce Development Plan provides an opportunity to create a more coherent long term vision for the service, including how it intends to plan for the challenges it faces.

219. In recent years, the service has experienced significant difficulties in retaining professional and experienced staff. The council has been unable to compete with other employers in terms of salaries and it has had to focus on alternative solutions. It has developed a 'Grow Your Own' scheme aimed at providing development opportunities for existing staff and this has had some impact at service level, for instance in attracting appropriate staff for children's services.
220. The Workforce Development Plan has been developed to help the service to address its significant challenges in terms of the recruitment and retention of an appropriately skilled and qualified workforce. The plan covers the key areas of induction, statutory training, continuing professional development and personal development planning. This is a positive attempt to address staffing more strategically, but the absence of a corporate workforce planning strategy means that the service is working in isolation to address its problems.
221. The council's area was covered until recently by two Health Board areas; Greater Glasgow and Argyll & Clyde. The latter has recently been wound up. A Community Health Partnership (CHP) has been established to cover the West Dunbartonshire area. At present the council's social work services have elected not to join until the new health structures have bedded in a little better. The council intends to review its decision in six months time.
222. There is, however, effective joint working between the CHP partners and the council. Particular strengths include joint work in respect of partnership capacity planning, the balance of care services for older people, and a guide to services for people with sensory impairment
223. The Scottish Executive the partnership against the Joint Performance Information and Assessment Framework. It found that the partnership has 'significantly progressed' and noted that the council was close to meeting the requirements for joint resourcing and single shared assessment. The local partnership was also commended on the range and depth of the arrangements either implemented or considering. These include the arrangements for older people's services as well as other community groups.
224. There are positive examples of using feedback from service users to inform improvements in service design and delivery. The service has undertaken consultation exercises with the Physical Disabilities Strategy Group since 2003. These have been useful in identifying the range of services available and informing the way in which the council tailors service delivery and ensures that information is provided in accessible formats.
225. Children's services are provided jointly between education, culture and leisure services, and social work. They report to the Children's Services Committee.

226. The percentage of children looked after away from home in West Dunbartonshire is below the Scottish average and their levels of educational attainment are better than the Scottish average. In 2004/05 the council had 16 looked after children away from home and eight children (50 per cent) achieved SCQP level 3 or better in both English and Maths.
227. There are, however, some areas where the council needs to improve. The council performs among the worst quartile of Scottish councils for four SPIs :
- Childcare placements – percentage of children looked after by the council who are in community placements, ranked 27.
 - Privacy – percentage of residential places occupied by children that are single rooms, ranked 29.
 - Social Background Reports – percentage of reports requested by the Reporter, that were submitted within 20 days, ranked 25.
 - Supervision – percentage of children made subject to a supervision order that were seen by a supervising officer within 15 days, ranked 28.
228. There are also two further indicators in the third quartile:
- Staff qualification – percentage of care staff in residential homes for children who are qualified, ranked 18.
 - Special Educational Needs – average number of weeks taken to complete a special needs assessment, ranked 23.
229. The council has developed a Strategic Partnership Agreement 2004-2007: Promoting Partnership to Secure Better Integration for Children's Services. This not only includes the various council services contributing to services to children and young people but key partner agencies including Communities Scotland, NHS, Strathclyde Police, Scottish Enterprise, Scottish Children's Report's Administration, Clydebank College and Jobcentre Plus.
230. The Integrated Children's Services Plan (ICSP) 2005 – 2008 articulates the vision outlined in the Partnership Agreement and formalises the existing practice of strong joint working in children's services across West Dunbartonshire. This strength was recognised in the SWSI Report (January 2004). In April 2006, initial work commenced to review the ICSP with partners gathering and collating data to identify progress and highlight issues to inform future discussions.
231. The council has five residential units for children and young people. The Care Commission's recent inspection was largely favourable, with the atmosphere within the units being regarded as open and warm, and well maintained. Positive relationships between children and staff were also commented on.

Housing and technical services

Housing and technical services have a mixed performance; some areas are performing well and have achieved charter mark accreditation, but others are among the worst performing Scottish councils. The Communities Scotland Pathfinder report classed housing management as poor and homelessness services as good. The council has acknowledged it has much to do and is attempting to make the required improvements.

232. The housing and technical services department was created in 2004 when housing was transferred from social work to merge with commercial and technical services. The department is now undergoing another merger with development and environmental services. The new department is known as housing, regeneration and environmental services and began operations on 1 April 2006.

233. The former housing and technical services included: housing repairs and maintenance; housing operations; technical services; facilities management; leisure services; internal transport; grounds maintenance, and traffic and transportation. The department employed 2,036 people and had a combined budget of £73 million, of which £23 million is for capital works. Audit work concentrated primarily on the housing service.

234. The council currently owns 12,338 houses. Income due from rents was £27.3 million in 2004/05 and it spent £7.7 million on repairs and maintenance during the same period. The housing service underwent a Pathfinder Inspection by Communities Scotland in July 2004. [Exhibit 18](#) sets out the council's performance rating.

Exhibit 18

Housing Management	D	The council delivers a poor housing service with major areas where improvement is needed.
Property Management	C	The council delivers a fair property management service, with some strengths but with significant areas where improvement is required.
Homelessness	B	The council delivers a good homelessness service with many strengths and some areas where improvement is needed.

Source: Communities Scotland; Pathfinder Report 2004

235. Communities Scotland have recently undertaken a review of the action plan associated with the previous inspection, focusing particularly on the council's arrangements for housing management. The results of the inspection have not yet been published.

236. SPI's show the council's housing service to be among the worst of all Scottish councils. In particular rent arrears, at 15.8 per cent, are well above the Scottish average of 7.4 per cent and rank 28 out of 32 councils. Rent lost due to voids is 7.4 per cent, which is also well above the Scottish average of 2.5 per cent and ranks 27, and the percentage of council house sales completed within 26 weeks, at 35.4 per cent, is ranked 27 and well below the Scottish average of 72.2 per cent. Two further indicators, for emergency response repairs completed with 24 hours and homelessness, are unreliable.
237. The council has applied for support under the Community Ownership Programme to transfer part of its stock to new social landlords. This will affect 5,020 properties (41 per cent of the current stock) and write off debt of £31 million. Full stock transfer would have resulted in a £77 million debt write off. The rationale for the partial rather than full stock transfer is unclear, as is the basis on which areas for transfer were selected. The council acknowledges that the proposed transfer will have an impact on future staffing and it intends to assess staffing resources throughout the process.
238. The council's management of empty properties was highlighted as a cause for concern in the Communities Scotland Pathfinder report. We carried out further audit work in this area and found little progress. The council acknowledges that this is a major issue but it has not yet developed robust plans for improvement.
239. The housing maintenance service recently underwent a best value review, and is subject to a competitive tendering exercise. This, combined with the partial stock transfer, has major implications for the council.
240. The service makes use of external accreditation as a means for continuous improvement. [Exhibit 19](#) highlights some examples of such areas of good practice. To benefit the organisation, this approach should be consistently applied across all service areas.

Exhibit 19

Use of external accreditation in housing and technical services

Homelessness services has achieved charter mark accreditation. It also received the highest of the council's ratings during the Communities Scotland Pathfinder Inspection. This level of service has been achieved during a growth in service provision, with applications increasing from 1,231 in 2003/04 to 1,427 in 2004/05. The use of Bed and Breakfast accommodation has been eradicated through an increase in the amount of temporary accommodation. The Homeless Strategy and Action Plan (2003 – 2006) is monitored by the multi agency Homeless Forum.

Leisure services operates three main sport and leisure facilities and four neighbourhood fitness centres. The service gained Quest accreditation in 2000 and has successfully retained it during subsequent inspections. Quest is a quality initiative for the management of sport and leisure facilities. It defines industry standards and good practice and encourages their development. To achieve Quest status leisure centres must reach challenging standards in customer relations, service development and how the facilities operate.

Facilities management operate catering services for various establishments including schools. Following a review of nutritional requirements, the service has introduced healthy eating options. Seventeen schools have been successful in gaining national Healthy Choices Awards for promoting and providing healthy food choices within a healthy eating environment.

Source: West Dunbartonshire Council

Housing and council tax benefits

The council has improved the time taken to process applications for housing and council tax benefits and is generally meeting national targets. But the BFI has recently criticised the council's poor record in taking sanctions against fraudulent claims.

241. In an area of relatively high deprivation, significant sums are spent on housing and council tax benefits. In 2004/05, for example, the council administered £41.3 million in benefits, around 22 per cent of its total gross expenditure. In previous years, the council has had a poor record in the time taken to process benefit claims and has been subject to close monitoring by the Department of Work and Pensions (DWP). It has successfully reduced these times and now processes claims at around the national standard ([Exhibit 20](#)).

Exhibit 20

Housing and council tax benefits

	National standard	West Dunbartonshire Council's performance				
		March	June	September	December	March
Average processing time for new benefit claims	36 days	47.6 days	43.8 days	43.7 days	42.3 days	38.5 days
Average processing times for changes in circumstances	9 days	4.3 days	3.9 days	3.2 days	4.3 days	3.9 days
Proportion of new claims decided within 14 days of having received all necessary information	90%	94%	94%	94%	95%	94%
Proportion of new rent allowance claims paid within 14 days of due date	90%	87%	88%	90%	89%	78%
Proportion of cases for which the calculation of benefit was accurate	98%	98%	97%	98%	100%	100%

Source: Benefit Fraud Inspectorate

242. The BFI has expressed concern about the council's poor record in dealing with fraudulent claims, noting that no sanctions have been taken against any fraudulent claims in the previous two years.

243. The SPIs relating to Benefits Administration show a mixed picture. The percentage of cases with accurate calculation of benefit and the overall gross administration cost per application were both ranked eight among Scottish Authorities for 2004/05. However, the average time taken to process new claims was ranked 20.

244. A best value review of council tax collection (ranked 20 out of 32 councils in 2004/05) has identified a five year action plan focusing on improvement in collection performance and consultation and

communication with the overall aim to improve customer service. The action plan has a series of targets that are being monitored through the QPR system.

Development and environmental services

Overall the service's performance is mixed, although there are signs of improvement. Planning service performance is around average and improving, and regulatory and protective services such as food hygiene and pest control are performing well. Aspects of waste management and particularly recycling perform less well.

245. The development and environmental services department was established in 2004 following a restructuring exercise. At the time of the audit the service was going through a further restructuring following the retirement of the director in March 2006. Prior to the latest restructuring, the department consisted of estates, planning services (including building standards), development services (skill seekers, economic development, halls & events and bereavement services) and environmental services (environmental health, trading standards and waste services). The department employed around 230 people. In 2005/06, the combined revenue expenditure budget was £14.8 million with anticipated income of £10.4 million.
246. The estates service manages a portfolio of approximately 680 industrial commercial and non-operational properties. The revenue obtained from leasing these council properties is in excess of £4 million per annum. The service also sells land and property assets amounting to approximately £1 million per annum. The department plays a potentially significant role in the council's major regeneration planning, projects and initiatives for the area.
247. The performance of the council's planning service is around the average in Scotland according to the SPI's, and is starting to show some signs of improvement. Like most authorities, West Dunbartonshire does not meet the national planning guidance standards, but the time taken to process planning applications is faster than the Scottish average.
248. A number of areas of regulatory and protective services are performing well according to the SPIs, such as food hygiene, pest control and inspections of trading premises. However, the SPI for noise complaints ranks the council significantly below the Scottish average and the handling of business advice requests is also poor.
249. The department has started to address the areas of poorer performance. In noise abatement, for instance, the proportion of complaints dealt with in 14 days rose from 37.6 per cent in 2003/04 to 56.5 per cent in 2004/05. The council appears to be making further improvement; by the third quarter of 2005/06 the council's own figures indicate that 69.6 per cent of complaints were dealt with in 14 days.
250. The cost of waste collection and disposal is close to the national average and the number of refuse collection complaints has fallen (from 26 per 1,000 households to 13). However, the number of

complaints regarding special uplifts is high and the level of recycling is poor. The council reported a significant drop from 71 per cent to 51 per cent of special uplifts completed within the target time of five days. This is against a nationally improving trend, with the Scottish average at 82.9 per cent in 2004/05. 7.1 per cent of waste was recycled in 2004/05, against a national target of 25 per cent by 2006. Council information for the first three quarters of 2005/06 suggests it is improving with the trend showing a reduction in the proportion of household waste used for landfill. In the 2003/04 Scottish Household Survey, West Dunbartonshire was ranked ninth lowest for the percentage of households who recycle.

Regeneration

Regeneration is a key council policy and there is evidence of a number of significant regeneration initiatives either underway or planned. This includes a major development of the Clydebank waterfront area. It is important that the council monitors the progress of these plans and builds on their success for the longer term regeneration and sustainability of the area.

251. West Dunbartonshire has seen significant improvement in its unemployment figures since reorganisation in 1996. At that time 11.9 per cent of the area population was classified as unemployed, the highest rate in Scotland. The rate has now fallen to 4.9 per cent compared to a national average of 3.3 per cent. However significant deprivation remains and the area requires sustained major intervention by the council and other stakeholders to promote economic regeneration.
252. The council pursues its regeneration objectives through a number of significant initiatives that are currently underway or planned for the future. The council actively participates in a range of key forums, such as the Local Economic Forum led by Scottish Enterprise, as well as a number of strategic forums looking at regeneration and development across the Clyde valley area.
253. Clydebank Rebuilt is a major redevelopment of the Clydebank waterfront area and an Urban Regeneration Company has been established to manage the project. The project has attracted significant levels of funding from a variety of sources including Scottish Enterprise and the Cities Growth Fund. The site is a mixed development that includes a new business park, the relocation of the local college, relocation of a council leisure facility, retail units and new housing. Approximately 400 new homes are proposed, of which ten per cent are to be set aside for social housing. The success of this large waterfront development initiative presents a significant opportunity for the longer term regeneration and sustainability of the area.
254. The local plan for the area is currently out for consultation. The draft plan envisages generating a range of mixed housing and modern business opportunities using available 'brownfield' capacity. Examples of significant current local infrastructure regeneration initiatives in which the council is a partner are:

- The Strathleven Regeneration Company established in response to the closure of a J&B Diagio plant in 2000, to support the regeneration of Dumbarton and the Vale of Leven areas. Some of the key outcomes to date have been the negotiation of a joint venture agreement with private sector companies and planning for a business and residential development.
- With Scottish Enterprise Dunbartonshire the council established the West Dunbartonshire Town Centre Initiatives over eight years ago with a view to broad-based town centre regeneration, focused on increasing the competitiveness and accessibility of Clydebank, Dumbarton and Alexandria town centres.

Part 4: What needs to improve?

West Dunbartonshire Council faces a number of historic and contextual challenges which it has struggled to overcome. It has made limited progress in delivering best value, and its corporate culture needs to shift. Over the last 12 months, the council has started to increase the pace and momentum around best value but its track record in seeing through previous initiatives has been poor. In particular, it needs to recognise that best value cannot be driven in a mechanistic way if improvement is to be sustained over time and the right environment for continuous improvement is to be created.

The council now needs to significantly increase the momentum it has established to ensure the principles of best value are fully understood and embedded across the organisation. More critically it needs to improve the leadership of the best value agenda, ensure its decision-making is conducted in an open and transparent manner and significantly improve the poor perceptions of the council's culture which are held by some staff, elected members and partners.

Developing an improvement culture

255. Continuous improvement in public services and local governance lies at the heart of the best value and community planning policy framework. Elected members and officers must focus on the needs of service users and communities, driven by a desire to achieve the highest possible standards in service delivery. This requires a culture where areas in need of improvement are identified and openly discussed and in which service performance is constructively challenged.
256. The context within which West Dunbartonshire Council operates is challenging and its resources are scarce. It does not have great surpluses to invest and it is, therefore, critical that a long term vision and priorities are clearly articulated, owned and shared with the council's staff, partners and the wider community. The council needs to look again at why it has not so far achieved a consistent understanding of its stated vision across its key stakeholders and staff, and ensure that it is fit for purpose and meets the aspirations of the local community.
257. The council's self-assessment highlighted a range of corporate improvement priorities covering all aspects of the best value agenda. The council has made a commitment to improving its processes and performance and work is underway to address its improvement agenda. There is a degree of consistency in the areas the council identified for improvement and those identified by our audit, including: scrutiny; risk management; procurement; asset management; continuous improvement; efficient government; equal opportunities and sustainable development. However in its self assessment the council scored its performance considerably more positively than we found in the audit.

258. West Dunbartonshire Council's late start on best value has resulted in a challenging improvement agenda, and much investment is still required. Whilst it has made some progress over the previous eighteen months in implementing some of the building blocks of best value, it needs to maintain the momentum and ensure that best value becomes firmly embedded within the organisation. In particular, it needs to tackle some of the significant cultural barriers to best value, such as the lack of openness and transparency decision-making, and perceptions of bullying, harassment and inappropriate business practice.
259. Community planning has yet to demonstrate any significant impact. The structure has recently been reorganised to amalgamate the SIP, and work has been concentrating on establishing the council's ROA. The partnership needs to agree and adopt an up to date community plan and broaden its focus to the strategic issues facing the area.
260. The council faces significant challenges in its capacity to deliver the best value agenda. The CMT has recently seen the retirement of two directors, with a third director and the chief executive due to retire over the next few months. The council, in common with others, is also entering a period of potentially significant political change in the 2007 elections, and it continues to have significant financial pressures. At the same time the council is not managing its assets well; its workforce planning and staff development approach is weak, and asset management, income collection and debt recovery processes also need attention. The council must ensure that it manages its resources in a more consistent and strategic manner in future. It needs to increase its capacity to ensure it is able to sustain its improvement activity.
261. The improvement agenda which we set out below sets out a number of high and medium priority actions. They are intended to assist the council in identifying the areas where it should focus its initial efforts. This improvement plan is designed to build on the momentum that already exists and will provide the basis for review and monitoring by the council's external auditor.

Improvement agenda for West Dunbartonshire Council

Immediate priorities

- Establish arrangements and working practices which demonstrate openness and accountability in strategic decision-making processes.
- Develop and implement medium to longer term strategies to ensure effective management of resources, including financial planning and workforce planning. These arrangements should also be integrated with the service planning process.
- Ensure robust and effective scrutiny arrangements, including the involvement of opposition elected members, covering the council's decision-making processes as well as service performance, are put in place.
- Develop a culture to support best value and continuous improvement across the organisation.
- Review political and managerial structures to ensure that they operate effectively and are complementary.
- Provide elected members with support and training to discharge their functions.
- Agree and adopt an up to date community plan. Continue to drive the community planning partnership with a focus on defined outcomes.
- Establish robust action plans for all areas of poor performance identified within the best value report and housing services in particular.
- Refine and embed the new performance management framework, improve traffic light reporting to better support scrutiny, resource allocation and public performance reporting.
- Establish robust arrangements from which the council is able to demonstrate the competitiveness of its services.
- Develop and embed a risk management culture across the council.

Medium term priorities

- ensure robust review and option appraisal is undertaken on all services
- implement a leadership and management development programme
- review community engagement activity for efficiency and effectiveness.

West Dunbartonshire Council

The Audit of Best Value and Community Planning



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